Q1 2014

Supplemental Information

Three Months Ended March 31, 2014

Brookfield

Funds from Operations and Net Income

FOR THE PERIODS ENDED MAR. 31 (MILLIONS, EXCEPT PER SHARE AMOUNTS)	Three Months				LTM[1]			
	Funds from Operations		Net Income[2]		Funds from Operations		Net Income[2]	
	2014	2013	**2014**	2013	**2014**	2013	**2014**	2013
Operating activities	**$ 387**	$ 364	**$ 387**	$ 364	**$ 2,104**	$ 1,221	**$ 2,104**	$ 1,221
Realized disposition gains[3]	**105**	325	**35**	61	**1,075**	309	**835**	110
Fair value changes[4]	**-**	-	**568**	136	**-**	-	**798**	783
Depreciation and amortization	**-**	-	**(177)**	(165)	**-**	-	**(714)**	(637)
Deferred income taxes	**-**	-	**(272)**	(36)	**-**	-	**(722)**	(153)
	$ 492	$ 689	**$ 541**	$ 360	**$ 3,179**	$ 1,530	**$ 2,301**	$ 1,324
Per share	**$ 0.72**	$ 1.03	**$ 0.80**	$ 0.51	**$ 4.84**	$ 2.20	**$ 3.42**	$ 1.88

1. *Last twelve months*
2. *Net of non-controlling interests*
3. *FFO includes gains recorded in net income, directly in equity, as well as the realization of appraisal gains recorded in prior years*
4. *Included within net income*

- FFO from **operating activities** increased over the prior year, primarily from higher energy prices in our renewable energy operations, increased fee related earnings, driven by higher levels of fee bearing capital and the contribution from capital deployed over the last twelve months. These favourable variances were partially offset by lower prices in our panel board operations and mark-to-market portfolio losses on currency and interest rate positions. LTM FFO for 2014 also includes the recognition of $568 million of carried interests within our asset management operations and improved generation in our renewable energy operations. Further details on slide 3.

- **Realized disposition gains** were larger in 2013, reflecting a $172 million gain on the sale of units of Brookfield Renewable Energy Partners. Further details on slide 4.

- **Fair value changes** increased four fold over the prior year, as we recognized a higher level of appraisal gains on our U.S. office and retail properties, our investment in Canary Wharf, as well as a $230 million gain on the revaluation of a private equity investment. Further details on slide 27.

- The **deferred income tax** expense in the quarter was primarily driven by the impact of a change in tax legislation which increased the tax rate utilized to determine our deferred tax liabilities in one of our key property markets, and also reflects the higher level of fair value gains compared to the prior quarter.

- **Completed Brookfield Office Properties (“BPO”) tender offer**
  - Brookfield Property Partners (“BPY”) acquired 220 million shares of BPO, increasing BPY’s ownership of BPO to 92.5%, and increasing BPY’s public float from 11% to approximately 30%.
  - We entered into a plan of arrangement to acquire the remaining shares of BPO that we do not own, and received sufficient shares through the tender to ensure approval in June 2014.
- **Favourable Energy Marketing Initiatives**
  - Power prices in New York and New England increased due to colder than normal weather and higher demand, increasing average revenues for uncontracted power to $105 per MWh, more than two times the price during the same quarter in 2013.
- **Expanded fee bearing capital by 5% ($4 billion) to $84 billion**
  - Listed issuer fee bearing capital increased by $3 billion, primarily from the BPY share exchange, and our public securities business realized $0.6 billion of net new mandates.
- **Invested or committed $6 billion of capital**
  - Deployed $1.8 billion of private fund capital in addition to a $3.5 billion investment to acquire the majority of our office property portfolio.

Funds from Operations – Operating Activities (Excludes Realized Disposition Gains)

FOR THE PERIODS ENDED MAR. 31 (MILLIONS, EXCEPT PER SHARE AMOUNTS)	Three Months			LTM		
	2014	2013	Variance	**2014**	2013	Variance
Asset management	**$ 88**	$ 61	$ 27	**$ 892**	$ 213	$ 679
Invested capital						
Property	**123**	154	(31)	**495**	660	(165)
Renewable energy	**164**	76	88	**359**	118	241
Infrastructure	**59**	58	1	**223**	191	32
Private equity and other	**59**	107	(48)	**451**	470	(19)
Investment income	**(17)**	42	(59)	**100**	97	3
	476	498	(22)	**2,520**	1,749	771
Unallocated						
Interest expenses	**(56)**	(86)	30	**(274)**	(354)	80
Corporate costs and taxes	**(33)**	(48)	15	**(142)**	(174)	32
FFO - operating activities	**$ 387**	$ 364	$ 23	**$ 2,104**	$ 1,221	$ 883
Per share	**$ 0.56**	$ 0.52	$ 0.04	**$ 3.13**	$ 1.72	$ 1.41

Three Month Highlights:

- **Asset management:** Fee related earnings increased by $24 million (39%) to $85 million, due to higher amounts of fee bearing capital. We also recognized $3 million of net carried interest in the current quarter.
- **Property:** Property FFO declined following the distribution of equity in BPY, which reduced our ownership in these operations. U.S. retail FFO increased reflecting our increased ownership interest in GGP and 6% same store NOI growth. Office FFO benefitted from the contribution from capital deployed, however this was offset by lower occupancy, due to an expected large lease expiry in our U.S. office portfolio.
- **Renewable energy:** Substantial increases in energy prices and capacity sales increased FFO by $95 million over the prior year. This was partially offset by negative foreign currency variation and a reduced ownership in BREP.
- **Infrastructure:** FFO benefitted from the contribution from our Australian rail expansion and recently acquired toll roads, offset by the removal of FFO from timberlands sold in 2013.
- **Private equity and other:** Prices and volumes in our panel board operations retracted from particularly high levels in 2013, and we no longer recorded FFO from businesses that were sold or partially sold since the prior quarter. FFO from residential operations increased by $35 million due to a large commercial property sale and higher pricing and activity in North America. Service activities FFO decreased by $16 million from a reduced level of construction in the current quarter.
- **Investment income and unallocated:** Mark-to-market losses on interest rate and currency positions decreased investment income by $46 million and corporate interest expense benefitted from a reduced level of borrowings and lower interest rates.

LTM Highlights:

- Variances reflect the items noted above, as well as the recognition of $568 million of carried interest within our asset management activities and renewable energy generation at long-term average hydrology levels throughout 2013 following low levels in second and third quarters of 2012.

SUMMARY OF RESULTS

Realized Disposition Gains – Brookfield Share, Net of Non-Controlling Interests

FOR THE PERIODS ENDED MAR. 31 (MILLIONS, EXCEPT PER SHARE AMOUNTS)	Three Months				LTM			
	Funds from Operations[1,2,3]		Net Income[1,3]		Funds from Operations[1,2,3]		Net Income[1,3]	
Operating Segment	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013
Property	**$ 76**	$ 11	**$ 6**	$ 11	**$ 93**	$ (130)	**$ (7)**	$ 11
Renewable energy	**-**	172	**-**	-	**4**	172	**-**	-
Infrastructure	**-**	30	**-**	-	**220**	75	**10**	-
Private equity and other	**35**	62	**35**	-	**289**	163	**286**	70
Corporate	**(6)**	50	**(6)**	50	**469**	29	**546**	29
	$ 105	$ 325	**$ 35**	$ 61	**$ 1,075**	$ 309	**$ 835**	$ 110
Per share	**$ 0.16**	$ 0.51	**$ 0.06**	$ 0.09	**$ 1.71**	$ 0.48	**$ 1.33**	$ 0.16

1. *Net of non-controlling interests*
2. *FFO includes gains recorded in net income, directly in equity, as well as the realization of appraisal gains recorded in the prior years*
3. *See slide 28 for a reconciliation of disposition gains included in FFO compared to those included in net income*

First Quarter (Brookfield Share, Net of Non-Controlling Interests)

Property
- We sold 22 properties within our office, retail and other portfolios for proceeds of $1.2 billion.

Renewable Energy
- We sold 8.1 million units of BREP in 2013 for a realized disposition gain of $172 million, decreasing our ownership to 65%.

Private Equity
- We sold 64.3 million shares of Western Forest Products for a realized disposition gain of $35 million. The prior year includes the partial sell down of our interest in Norbord.

LTM realized disposition gains include the above as well as the following:

- **2014:** Pacific Northwest timberlands ($163 million); non-core infrastructure assets ($57 million); a pulp and paper business ($200 million); additional shares of Western Forest Products ($47 million) and a $525 million gain on the settlement of a long-dated interest rate contract.

- **2013:** property dispositions ($141 million loss); western Canadian timberlands ($34 million); UK connections business ($30 million); shares of private equity and residential investments ($30 million) and $70 million gain on the merger of our U.S. real estate brokerage operations.

Summarized Results

$84 billion
Fee Bearing Capital
(+13% since Q1 – 2013)

63% increase
in Fee Related Earnings
(LTM basis)

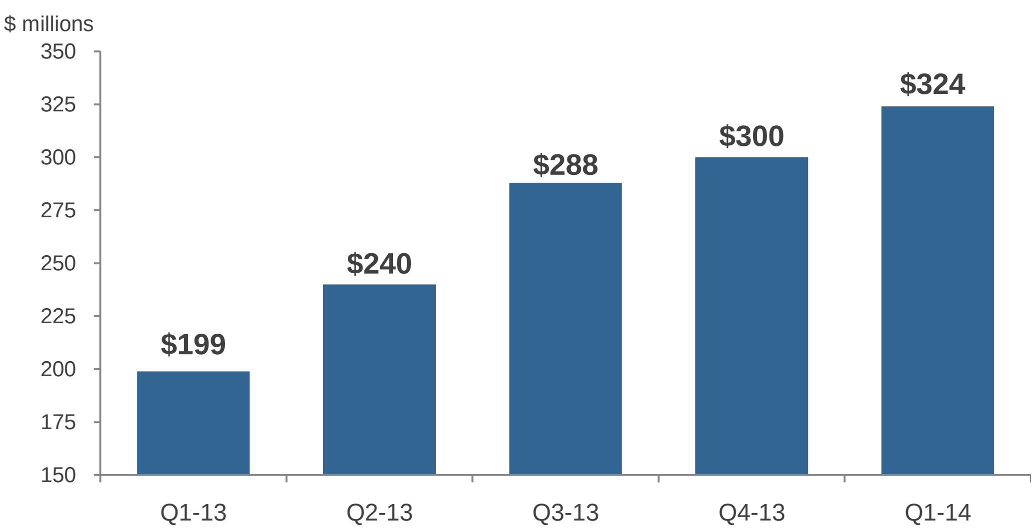
$1,044 million
Annualized Fees and Carry
(+26% since Q1 – 2013)

Financial Performance

FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Three Months		LTM	
	2014	2013	**2014**	2013
Asset management				
Fee related earnings	**$ 85**	$ 61	**$ 324**	$ 199
Carried interest, net[1]	**3**	-	**568**	14
	$ 88	$ 61	**$ 892**	$ 213

1. *Excludes amounts subject to clawback*

Fee Related Earnings (LTM)[1]



1. *Excludes carried interest*

Fee Bearing Capital

- Fee bearing capital includes 6 listed issuers, 30 private funds and 125 funds and managed accounts within our public securities operations.
- Private funds investor base is approximately 220 investors with an average investment of approximately $90 million; 30% of investors invest in multiple funds.
- Public securities includes $13.2 billion of fixed income and $8.8 billion of equity securities.

AS AT (MILLIONS)	Mar. 2014	Dec. 2013	Mar. 2013
Listed issuers	**$ 35,655**	$ 32,997	$ 33,470
Private funds	**25,862**	25,625	23,001
Public securities	**22,013**	20,671	17,761
	$ 83,530	$ 79,293	$ 74,232

- We have four private funds in marketing seeking over $2 billion of capital.

FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Three Months 2014	Three Months 2013	LTM 2014	LTM 2013
Base management fees				
Listed issuers	**$ 60**	$ 43	**$ 219**	$ 158
Private funds	**60**	46	**244**	173
Public securities	**22**	14	**78**	47
	142	103	**541**	378
Incentive distributions (IDRs)	**12**	8	**36**	19
Performance fees – public securities	**2**	1	**31**	18
Transaction and advisory fees	**22**	11	**64**	50
Fee revenues	**178**	123	**672**	465
Direct costs	**(93)**	(62)	**(348)**	(266)
Fee related earnings	**$ 85**	$ 61	**$ 324**	$ 199

Three Months:

- Fee revenues increased 45% over the prior period due to higher amounts of fee bearing capital.
- Base management fees increased by 38% to $142 million, representing substantial growth in listed issuer base fees following the formation of BPY, private funds and public securities.
- IDRs increased by $4 million to $12 million as we now earn IDRs on both BIP and BREP, based on their current distribution policies.
- Gross profit margins were 48% (2013 – 50%); the decline due to lower margins on initial BPY fee.
- Direct costs increased from the continued expansion of our operations as well as the reclassification of $10 million of costs from corporate activities to asset management following the launch of BPY in April 2013.

Last Twelve Months:

- Base management fees increased by 43% to $541 million and include approximately $18 million of “catch-up” fees arising from the final close of our real estate private fund.
- Incentive distributions from our listed issuers nearly doubled, from our share of increased distributions paid by BIP and BREP.
- Realized performance fees of $31 million within our public securities operations based on exceeding performance thresholds in a number of our mandates.
- Gross profit margins were 48% for the last twelve months or 47% excluding the catch-up fee (2013 – 43%), fee revenues grew significantly and more than offset the increase in direct costs.
- Fee revenues include $186 million (2013 – $92 million) of base management fees on Brookfield capital. This includes $113 million on listed issuers, $66 million on private funds and $7 million on public securities.
- Direct costs increased due to the reallocation of costs related to our property operations following the formation of BPY, as well as expansion in the size and number of property funds and our financial advisory operations.

FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Three Months 2014	Three Months 2013	LTM 2014	LTM 2013
Generated[1]	**$ 37**	$ 28	**$ 233**	$ 257
Recognition of prior period accumulated carry[1]	**5**	-	**542**	17
	42	28	**775**	274
Less: deferred carried interest[1,2]	**(34)**	(28)	**(201)**	(257)
Recognized in period[1]	**8**	-	**574**	17
Less: direct costs	**(5)**	-	**(6)**	(3)
Carried interest, net	**$ 3**	$ -	**$ 568**	$ 14

1. *Carried interest in respect of third party capital*
2. *Carried interest subject to clawback*

- We generated $37 million of carried interest in the first quarter based on investment performance, of which $34 million was deferred for FFO recognition ($233 million generated and $201 million deferred, for the last twelve months) as they are subject to clawback.
  - We continue to benefit from favourable investment performance and distributions within our private funds, including $558 million of carried interest in the fourth quarter of 2013.

Deferred Carried Interest Continuity[1]

FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	2014 Unrealized Carried Interest	2014 Direct Costs	2014 Net	2013 Unrealized Carried Interest	2013 Direct Costs	2013 Net
Unrealized balance, beginning of period	**$ 318**	**$ (118)**	**$ 200**	$ 689	$ (57)	$ 632
In period change						
Generated	**34**	**(7)**	**27**	28	(11)	17
Less: realized	**(8)**	**5**	**(3)**	-	-	-
Unrealized balance, end of period	**$ 344**	**$ (120)**	**$ 224**	$ 717	$ (68)	$ 649

1. *Carried interest subject to clawback*

AS AT (MILLIONS)	Mar. 31, 2014 Listed Issuers[1]		Private Funds[1]		Public Securities		Total		Dec. 31, 2013		Mar. 31, 2013	
Property	$	17,294	$	12,347	$	3,213	**$**	**32,854**	$	30,313	$	29,190
Renewable energy		9,906		2,169		-		**12,075**		11,494		10,790
Infrastructure		8,455		8,561		5,587		**22,603**		21,717		17,941
Private equity		-		2,785		13,213		**15,998**		15,769		16,311
	$	**35,655**	**$**	**25,862**	**$**	**22,013**	**$**	**83,530**	$	79,293	$	74,232

1. *Fee bearing capital includes Brookfield capital of $19.7 billion in listed issuers (Dec. 31, 2013 – $19.7 billion) and $6.1 billion in private funds (Dec. 31, 2013 – $6.0 billion)*

Three Months:

- Fee bearing capital increased by $4.2 billion (5%).
  - Listed issuer capital increased by $2.7 billion due to the issuance of BPY units and increases in unit values, offset by distributions.
  - Public securities capital increased by $1.3 billion on portfolio valuation gains and net inflows.
- In April, we announced the sale of a portion of our fixed income business within our public securities operations, which included $7 billion of fee bearing capital and approximately $8 million of annualized fees, to focus on higher margin businesses.

Last Twelve Months:

- Fee bearing capital increased by $9.3 billion (13%).
  - Brookfield Property Partners L.P. issued equity in November 2013 and March 2014, adding an additional $4.2 billion of capital. Listed capital also increased with the issuance of additional BIP units in the second quarter of 2013. These additions were partially offset due to the repayment of corporate leverage and downward currency valuation.
  - We closed a number of Private Fund strategies during the last twelve months, adding $9 billion in fee bearing capital including two flagship funds, (Brookfield Infrastructure Fund II and Brookfield Strategic Real Estate Partners Fund), global Timberlands Fund V, Brazil Timber Fund II and other property mandates.
  - We distributed $5.3 billion of private fund capital, mainly from the realization of our Brookfield Global Timber Fund and GGP consortium.
  - Public securities capital increased by $4 billion as inflows exceeded distributions as a result of launches of new closed ended funds and contributions from new and existing clients.

Fee Bearing Capital and Annualized Base Fees Roll Forward – Three Months

FOR THE THREE MONTHS ENDED MAR. 31, 2014 (MILLIONS)	Listed Issuers[1]	Private Funds	Public Securities	**Total Fee Bearing**	**Annualized Base Fees**
Balance, beginning of period	$ 32,997	$ 25,625	$ 20,671	**$ 79,293**	**$ 530**
Inflows[2]	2,767	920	1,021	**4,708**	**29**
Outflows[3]	-	-	(404)	**(404)**	**(1)**
Distributions[4]	(354)	(516)	-	**(870)**	**(5)**
Market activity[5]	460	-	725	**1,185**	**9**
Other[6]	(215)	(167)	-	**(382)**	**3**
Change	2,658	237	1,342	**4,237**	**35**
Balance, end of period	**$ 35,655**	**$ 25,862**	**$ 22,013**	**$ 83,530**	**$ 565**

Fee Bearing Capital and Annualized Base Fees Roll Forward – Last Twelve Months

FOR THE LTM ENDED MAR. 31, 2014 (MILLIONS)	Listed Issuers[1]	Private Funds	Public Securities	**Total Fee Bearing**	**Annualized Base Fees**
Balance, beginning of period	$ 33,470	$ 23,001	$ 17,761	**$ 74,232**	**$ 470**
Inflows[2]	4,695	8,737	5,968	**19,400**	**124**
Outflows[3]	-	(172)	(3,204)	**(3,376)**	**(11)**
Distributions[4]	(1,085)	(5,419)	-	**(6,504)**	**(22)**
Market activity[5]	(187)	-	1,488	**1,301**	**6**
Other[6]	(1,238)	(285)	-	**(1,523)**	**(2)**
Change	2,185	2,861	4,252	**9,298**	**95**
Balance, end of period	**$ 35,655**	**$ 25,862**	**$ 22,013**	**$ 83,530**	**$ 565**

1. *Brookfield Property Partners and Brookfield Renewable Energy Partners' initial capitalization for determining equity enhancement fees is $11.5 billion and $8.1 billion, respectively*
2. *Includes contributions and capital raised*
3. *Represents redemptions, expiry of uncalled commitments and client withdrawals*
4. *Represents quarterly distributions from listed entities and distributions of capital to fund partners*
5. *Includes gains (losses) on portfolio investments*
6. *Includes non-recourse leverage included in the determination of listed issuer capitalization and foreign exchange on non-U.S. dollar commitments*

ASSET MANAGEMENT
Annualized Fees and Carry

AS AT (MILLIONS)	Mar. 31, 2014	Dec. 31, 2013	Mar. 31, 2013
Base management fees[1,2]			
Listed issuers[3]	**$ 250**	$ 220	$ 230
Private funds	**240**	240	185
Public securities	**75**	70	55
	565	530	470
Incentive distributions	**48**	48	30
Transaction and advisory[4]	**56**	53	55
Target performance income[4]	**25**	25	5
Fee revenues	**694**	656	560
Target carried interest[5]	**350**	350	270
	$ 1,044	$ 1,006	$ 830

1. *Based on capital committed or invested and contractual arrangements*
2. *Base management fees include $210 million of annualized base fees on Brookfield capital*
3. *Annualized BPY equity enhancement fee is net of $20 million fee credit for base fees being paid on private fund commitments*
4. *Equal to simple average of the last two years. Includes only third party capital*
5. *Calculated on prescribed carried interest for private funds and target gross return. Includes only third party capital*

- Annualized fee revenues totalled $694 million at March 31, 2014 representing a 24% increase since the prior year (6% since year end).
- Annualized base fees from our listed issuers generally include base fees on initial capitalization and equity enhancement fees of 125 bps on further appreciation of capital.
- We estimate that private fund annualized base management fees will increase by approximately $17 million upon calling the $7.9 billion of third party uncalled commitments, as base management fees increase for certain funds when capital is called.
- We include base fees on the capital invested by us in our funds in order to present operating margins and investment returns on a consistent basis (see note 2).
- We estimate gross margins on fee revenues and target carried interest at 50% and 60–70%, respectively for planning purposes.

Annualized Incentive Distributions and Target Carried Interest

Annualized Incentive Distributions

AS AT MAR. 31, 2014 (MILLIONS, EXCEPT PER UNIT AMOUNTS)	Annualized Distribution (Per Unit)[1]	Distribution Hurdles (Per Unit)	Incentive Distribution (Per Unit)[2]	Units Outstanding	Current IDR Per Unit[1] First Hurdle	Current IDR Per Unit[1] Second Hurdle	Annualized Incentive Distribution
Brookfield Infrastructure Partners	$ 1.92	$1.22 / $1.32	15% / 25%	210.1	$ 0.02	$ 0.20	$ 46
Brookfield Renewable Energy Partners	1.55	1.50 / 1.69	15% / 25%	265.3	0.01	-	2
Brookfield Property Partners	1.00	1.10 / 1.20	15% / 25%	671.3	-	-	-
							$ 48

1. *Based on most recent quarterly distributions declared*
2. *Incentive distributions equate to 18% and 33% of limited partner distribution increases over the first and second hurdles, respectively*

Annualized Target Carried Interest

AS AT MAR. 31, 2014 (MILLIONS)	Private Funds Fee Bearing Capital	Third Party Capital Subject to Carried Interest[1]	Target Return	Carried Interest	Average Investment Period[2]	Annualized Target Carried Interest[1]
Core and Value Add	$ 17,156	$ 10,800	10% to 15%	~18%	85%	$ 195
Opportunistic and Private Equity	8,706	5,700	18% to 25%	~20%	75%	155
	$ 25,862	$ 16,500				$ 350

1. *Excludes Brookfield capital of $6.1 billion and $3.2 billion of capital for which carried interest is either not provided or is credited against fees earned on other funds*
2. *Average investment period based on percentage of life of fund*

- Carried interest generated currently lags targeted carry, as a large portion of third party private fund capital subject to carry was raised within the past year and is not yet invested.

Our entity basis profile is organized according to the nature of the investment (i.e., listed vs. unlisted) as opposed to business segment, and is provided to facilitate analysis

AS AT MAR. 31, 2014 AND DEC. 31, 2013 AND FOR THE PERIODS ENDED MAR. 31 (MILLIONS, EXCEPT PER SHARE AMOUNTS)	Invested Capital		Funds From Operations – Three Months		Funds From Operations – LTM	
	2014	2013	**2014**	2013	**2014**	2013
Asset management						
Fee related earnings	**$ 219**	$ 216	**$ 85**	$ 61	**$ 324**	$ 199
Carried interests, net	**-**	-	**3**	-	**568**	14
	219	216	**88**	61	**892**	213
Invested capital (slide 13)						
Listed						
Brookfield Property Partners[1]	**12,055**	12,180	**111**	146	**457**	601
Brookfield Renewable Energy Partners	**3,510**	3,534	**120**	108	**402**	224
Brookfield Infrastructure Partners	**1,455**	1,478	**50**	43	**192**	140
Other listed	**4,733**	4,188	**41**	124	**400**	393
	21,753	21,380	**322**	421	**1,451**	1,358
Unlisted	**3,410**	3,198	**66**	16	**177**	178
Disposition gains	**-**	-	**105**	325	**1,075**	309
	25,163	24,578	**493**	762	**2,703**	1,845
Capitalization (slide 14)						
Borrowings	**(4,364)**	(3,975)	**(54)**	(82)	**(263)**	(334)
Net working capital	**265**	223	**(33)**	(48)	**(142)**	(174)
Preferred shares[2]	**(3,436)**	(3,261)	**(2)**	(4)	**(11)**	(20)
	(7,535)	(7,013)	**(89)**	(134)	**(416)**	(528)
Common equity	**$ 17,847**	$ 17,781	**$ 492**	$ 689	**$ 3,179**	$ 1,530
Per share[3]	**$ 28.83**	$ 28.70	**$ 0.72**	$ 1.03	**$ 4.84**	$ 2.20

1. *BPY 2013 results include net assets contributed to BPY, including BPO, GGP and Canary Wharf Group*
2. *Includes preferred shares and capital securities. FFO excludes $38 million of preferred share distributions for the three months (2013 – $36 million) and $147 million (2013 – $136 million) for the last twelve months which are included in determining per share results*
3. *See slide 31 for per share information.*

Over 85% of our invested capital is held in listed securities, which provide excellent levels of transparency for investors, and financial flexibility and access to liquidity for Brookfield

AS AT AND FOR THE PERIODS ENDED MAR. 31, 2014 (MILLIONS)	Platform	No. Units	Carrying Value Quoted[1]	Carrying Value IFRS	FFO[3] Three Months	FFO[3] LTM	Distributed Cash Flow (Annualized)[2,3,4]
Listed Investments							
Brookfield Property Partners	Property	482.8	$ 9,028	$ 12,055	$ 111	$ 457	$ 483
Brookfield Renewable Energy Partners	Renewable Energy	172.3	5,022	3,510	120	402	267
Brookfield Infrastructure Partners	Infrastructure	59.8	2,359	1,455	50	192	115
Other listed							
BPY Preferred Shares	Property	n/a	1,275	1,275	19	75	76
Brookfield Residential Properties	Private Equity & other	81.5	1,709	959	23	136	-
Norbord	Private Equity & other	27.8	734	233	9	76	60
Western Forest Products	Private Equity & other	113.9	224	300	12	67	8
Ainsworth Lumber	Private Equity & other	53.7	194	89	(2)	5	-
Acadian Timber	Infrastructure	7.5	89	64	2	8	6
Other	Private Equity & other	Various	624	624	(5)	(59)	-
Financial assets	Corporate	Various	1,189	1,189	(17)	92	95[5]
			$ 22,447	21,753	322	1,451	1,110
Unlisted							
Private funds[6]	Private Equity & other			467	10	114	114
Directly held assets	Property/Infrastructure			833	-	(35)	(24)
Energy marketing	Renewable Energy			802	44	(43)	(43)
Construction and property services	Private Equity & other			1,308	12	141	141
				3,410	66	177	188
				$ 25,163	$ 388	$ 1,628	$ 1,298

1. *Quoted value based on March 31, 2014 public pricing*
2. *Annualized distributed cash flow is based on dividend payouts as of March 31, 2014 for listed investments and LTM FFO for unlisted investments, excluding disposition gains*
3. *Excludes disposition gains*
4. *Unlisted annualized distributed cash flow is based on LTM FFO*
5. *Estimated 8% annualized cash yield*
6. *Market value estimate of $667 million, based on fair values provided to private fund institutional clients, which are used in the determination of performance-based income and audited annually*

Corporate debt maturities are well distributed over the next ten years and we have no maturities until 2016

AS AT AND FOR THE PERIODS ENDED MAR. 31, 2014 AND DEC. 31, 2013 (MILLIONS)	Average Yield	Invested Capital		Funds from Operations – Three Months		Funds from Operations – LTM	
		2014	2013	**2014**	2013	**2014**	2013
Corporate borrowings	**4.5%**	**$ 4,364**	$ 3,975	**$ 54**	$ 82	**$ 263**	$ 334
Capital securities	**5.4%**	**157**	163	**2**	4	**11**	20
Preferred shares[1]	**4.5%**	**3,279**	3,098	**-**	-	**-**	-
Net working capital[2]	**n/a**	**(265)**	(223)	**-**	-	**-**	-
Corporate costs and taxes	**n/a**	**-**	-	**33**	48	**142**	174
		$ 7,535	$ 7,013	**$ 89**	$ 134	**$ 416**	$ 528

1. *Excludes preferred shares distributions of $38 million (2013 – $36 million) for the three months; and $147 million (2013 – $136 million) for the last twelve months*
2. *Includes $588 million net deferred income tax asset (2013 – $625 million)*

Corporate Maturity Profile

($ MILLIONS)	Average Term (Years) 2014	Average Term (Years) 2013	As at Mar. 31, 2014	Maturity 2014	Maturity 2015	Maturity 2016	Maturity 2017	Maturity 2018+
Corporate borrowings								
Term debt	**9**	10	$ 3,654	$ -	$ -	$ 271	$ 465	$ 2,918
Revolving facilities[1]	**4**	5	710	-	-	-	-	710
			4,364	-	-	271	465	3,628
Capital securities	**5**[2]	5	157	-	-	-	-	157
Preferred shares	**perp.**	perp.	3,279	-	-	-	-	n/a
			$ 7,800	$ -	$ -	$ 271	$ 465	$ 3,785

1. *Revolving credit facilities of $1.8 billion to support commercial paper issuances (20 bps spread) or bankers acceptances/LIBOR loans (100 bps spread)*
2. *Redeemed on April 6, 2014*

Core and Total Liquidity

Core liquidity and undrawn fund capital totalled $14.0 billion at March 31, 2014 and is available for investments.

AS AT MAR. 31, 2014 AND DEC. 31, 2013 (MILLIONS)	Corporate	Property[1]	Renewable Energy	Infrastructure	Private Equity	**Total 2014**	Total 2013
Cash and financial assets, net	$ 1,189	$ 330	$ 202	$ 416	$ -	**$ 2,137**	$ 1,727
Undrawn committed credit facilities	957	940	755	1,301	-	**3,953**	4,609
Core liquidity	2,146	1,270	957	1,717	-	**6,090**	6,336
Uncalled fund commitments[2]	-	1,891	1,331	3,799	914	**7,935**	9,032
Total liquidity	$ 2,146	$ 3,161	$ 2,288	$ 5,516	$ 914	**$ 14,025**	$ 15,368

1. *Brookfield Property Partners and Brookfield Office Properties*
2. *Private fund commitments*

- At March 31, 2014, corporate facilities totalled $1.8 billion, of which $0.7 billion was utilized for short-term bank or commercial paper borrowings and $0.1 billion for letters of credit to support various business initiatives.
- Total liquidity of $14.0 billion at March 31, 2014, includes core liquidity of $6.1 billion and third party uncalled commitments of $7.9 billion.

Uncalled Fund Commitments – Maturity Profile

AS AT MAR. 31, 2014 AND DEC. 31, 2013 (MILLIONS)	2014	2015	2016	2017	2018+	**Total 2014**	Total 2013
Property	$ 173	$ 81	$ 1,018	$ 128	$ 491	**$ 1,891**	$ 2,762
Infrastructure and renewable energy	506	165	675	3,722	62	**5,130**	5,359
Private equity	-	-	488	53	373	**914**	911
	$ 679	$ 246	$ 2,181	$ 3,903	$ 926	**$ 7,935**	$ 9,032

- Uncalled commitments have a weighted average maturity of approximately four years

Brookfield

Additional Information – Invested Capital




We hold the vast majority of the capital invested in our property business through our 72% interest in Brookfield Property Partners

Financial Position and Performance

AS AT MAR. 31, 2014 AND DEC. 31, 2013 AND FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Invested Capital		Funds from Operations			
			Three Months		LTM	
	2014	2013	**2014**	2013	**2014**	2013
Investment in Brookfield Property Partners						
LP Units[1,2]	**$ 12,055**	$ 12,180	**$ 111**	$ 146	**$ 457**	$ 601
Preferred shares	**1,275**	1,275	**19**	-	**75**	-
	13,330	13,455	**130**	146	**532**	601
Directly held, net[3]	**(85)**	(116)	**(7)**	8	**(37)**	59
	13,245	13,339	**123**	154	**495**	660
Realized disposition gains	**-**	-	**76**	11	**93**	(130)
	$ 13,245	$ 13,339	**$ 199**	$ 165	**$ 588**	$ 530

1. *Represents our share of BPY's FFO for the first quarter of $164 million (2013 – $151 million), adjusted to exclude realized disposition gains, depreciation, property services and fee related earnings and includes current taxes*
2. *BPY 2013 results reflect net assets contributed to BPY, including BPO, GGP and Canary Wharf Group*
3. *Consists of $485 million (2013 – $469 million) of property assets less $570 million (2013 – $585 million) of associated borrowings and preferred share obligations*

Operational Measures

- We manage a global portfolio of premier properties with over 330 million square feet ("msf") focused on:
  - Office: 168 properties, 97 msf and 19 msf development pipeline.
  - Retail: 163 high quality regional malls, 152 msf predominately based in the U.S. with average sales of $526 per sq. ft.
  - Multifamily, Industrial and Hospitality: 22,200 multifamily units, 58 msf of industrial space, 79 msf of future industrial development, and 8 hotels with 7,500 rooms.

Financial Performance

- Property FFO excluding gains decreased by $31 million to $123 million due primarily to our reduced ownership in these operations following the spin-off and subsequent dilution of BPY ($16 million) and fees incurred by BPY ($16 million at our share).
- We disposed of 22 properties and investments during the quarter for gross proceeds of $1.2 billion, recognizing $59 million of disposition gains. Additionally, GGP recognized a gain on the extinguishment of debt ($17 million at our share).
- BPY completed the tender offer of BPO and acquired 220 million BPO common shares, increasing BPY's ownership of BPO to 92.5% and diluting our ownership in BPY to 70.2%, following the March and April issuance of 147 million units to fund the transaction. We have entered into a plan of arrangement to acquire the remaining BPO shares, which upon completion will decrease our ownership in BPY to 66%.

Brookfield Property Partners L.P. ("BPY")

($16.8 billion[1] market capitalization)

NYSE: BPY, TSX: BPY.UN

$1.00 annual distribution per unit

3% – 5% Target distribution growth

80% FFO Payout

Financial Position and Performance – BPY

AS AT MAR. 31, 2014 AND DEC. 31, 2013 AND FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Invested Capital		Funds from Operations[2] Three Months		Funds from Operations[2] LTM	
	2014	2013[3]	**2014**	2013[3]	**2014**	2013[3]
Office	**$ 12,111**	$ 7,201	**$ 82**	$ 82	**$ 330**	$ 277
Retail	**8,126**	7,704	**94**	68	**329**	282
Multifamily, Industrial & Hospitality	**1,035**	1,042	**20**	14	**62**	42
Corporate / unallocated	**(4,505)**	(2,323)	**(69)**	(18)	**(217)**	-
Attributable to unitholders	**16,767**	13,624	**127**	146	**504**	601
Non-controlling interest	**(4,712)**	(1,444)	**(16)**	-	**(47)**	-
Brookfield's interest	**$ 12,055**	$ 12,180	**$ 111**	$ 146	**$ 457**	$ 601

1. *Based on IFRS values*
2. *Represents BPY's FFO for the first quarter of $164 million (2013 – $151 million) adjusted to exclude realized disposition gains depreciation, property services and fee related earnings and includes current taxes*
3. *BPY 2013 results prior to spin out include assets contributed to BPY, including BPO, GGP and Canary Wharf Group*

- BPY's FFO was $127 million, representing a decrease of $19 million from 2013, primarily the result of management fees incurred by BPY and dividends on preferred shares issued as part of BPY's formation ($19 million), offset by the contribution from capital deployed.
  - Office FFO remained consistent as contributions from capital deployed was offset by a $21 million ($19 million net to BAM) decrease in FFO from reduced occupancy levels following an expected lease expiry in New York in Q4 – 2013.
  - Our average in-place office rent is $30.09 psf, representing a discount of 15% to market rent, and has an average term of 7 years. Occupancy was 87.9%.
- BPY's share of GGP's FFO was $86 million, which represents a 43% increase over the prior year, primarily from our increased ownership in GGP and a 5.7% increase in same store NOI.
  - The average in-place retail rent of $53.23 psf represents a discount of 6% to market rents, and has a 5.8 year average term to maturity. Occupancy increased by 30 bps compared to same period in the prior year to 94.9%.
  - Suite-to-suite initial rents for leases commencing in 2013 increased 10.8% compared to the average rental rate for expiring leases in GGP's portfolio.
- Corporate charges consist primarily of dividends paid on preferred shares ($19 million), base management fees incurred by BPY and private funds, interest expense on corporate credit facilities and other corporate costs.

We hold our invested capital in renewable energy operations primarily through our 65% interest in Brookfield Renewable Energy Partners ("BREP"). We also conduct energy marketing initiatives on behalf of BREP.

Financial Position and Performance

AS AT MAR. 31, 2014 AND DEC. 31, 2013 AND FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Invested Capital		Funds from Operations – Three Months		Funds from Operations – LTM	
	2014	2013	**2014**	2013	**2014**	2013
Investment in BREP L.P. units	**$ 3,510**	$ 3,534	**$ 120**	$ 108	**$ 402**	$ 224
Energy marketing	**802**	894	**44**	(32)	**(43)**	(106)
	4,312	4,428	**164**	76	**359**	118
Realized disposition gains	**-**	-	**-**	172	**4**	172
	$ 4,312	$ 4,428	**$ 164**	$ 248	**$ 363**	$ 290

Operational Measures

- We have 216 generating facilities that provide 6,057 MW of generating capacity.
  - 85% of our generation is hydroelectric, situated on 71 river systems.
  - We generate 22,860 GWh per year based on long-term average hydrology and wind conditions. We have contracted 74% of our long-term average generation for the balance of 2014 at an average price of $77/MWh.

Financial Performance

- Renewable energy FFO, prior to realized disposition gains, increased by $88 million to $164 million. Increased pricing and capacity sales contributed an additional $95 million of FFO, the contribution from capital deployed generated $6 million of FFO, which was partially offset by $10 million of negative currency revaluation and a reduced ownership in BREP.
- We sold a 3% interest in BREP during the first quarter of 2013, generating proceeds of $233 million and a gain of $172 million.

Brookfield Renewable Energy Partners L.P. ("BREP")
($7.7 billion market capitalization)
NYSE: BEP, TSX: BEP.UN

$1.55 annual distribution per unit
3% – 5% Target distribution growth
60% – 70% FFO Payout

Financial Position and Performance – BREP

AS AT MAR. 31, 2014 AND DEC. 31, 2013 AND FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Invested Capital		Funds from Operations – Three Months		Funds from Operations – LTM	
	2014	2013	**2014**	2013	**2014**	2013
Hydroelectric generation	**$ 6,943**	$ 7,025	**$ 206**	$ 186	**$ 730**	$ 456
Wind energy	**578**	590	**26**	22	**93**	60
Facilities under development	**303**	276	**-**	-	**-**	-
Corporate/unallocated	**(2,420)**	(2,454)	**(47)**	(46)	**(206)**	(182)
Attributable to unitholders	**5,404**	5,437	**185**	162	**617**	334
Non-controlling interest	**(1,894)**	(1,903)	**(65)**	(54)	**(215)**	(110)
Brookfield's interest	**$ 3,510**	$ 3,534	**$ 120**	$ 108	**$ 402**	$ 224

- BREP's FFO totalled $185 million for the quarter, an increase of $23 million (14%) over the 2013 comparative quarter due to the growth of the portfolio and the impact of higher electricity prices on uncontracted generation. Total generation was 5,711 GWh for the quarter, in-line with long-term average of 5,770 GWh and an increase of 176 GWh compared to the same period in the prior year.
  - Hydroelectric generation was 5,001 GWh, an increase of 222 GWh from the prior year. Generation from existing facilities was 4,711 GWh compared to 4,779 GWh in the prior year. Facilities acquired in Maine during the current quarter and a full quarter's contribution from assets acquired or commissioned in the last twelve months contributed an incremental 231 GWh of generation.
  - Wind generation was 610 GWh, an increase of 71 GWh from the prior year. Generation from existing facilities was 583 GWh compared to 539 GWh in the prior year. A full quarter's contribution from the California assets acquired in the last twelve months contributed an incremental 27 GWh of generation.
- Our share of BREP's FFO was $120 million, representing a $12 million increase from the prior year. Our share of FFO variances include: contribution from higher spot pricing on uncontracted generation ($10 million), facilities acquired or commissioned in the last twelve months ($7 million), higher generation from existing facilities ($11 million) offset by unfavourable foreign exchange and reduced ownership of BREP.
- We estimate that current quarter FFO for BREP would have been $173 million (2013 – $157 million), respectively, if generation was at long-term averages for both the current and prior year, assuming no change in other factors.

Three Months

- We have agreements to purchase approximately 8,500 GWh from BREP on an annual basis, based on long-term averages. Approximately 40% of the acquired power is sold under long-term contracts with high credit quality counterparties. We attempt to maximize the value we receive on this electricity through optimization of storage and sale of merchant electricity at peak times, or by executing long-term contracts for this power at rates which we believe to estimate the price of electricity which is generated by new build construction in a market.

  The following table presents the portion of power purchased from BREP by our energy marketing operations and resold:

FOR THE THREE MONTHS ENDED MAR. 31 (GIGAWATT HOURS AND $ MILLIONS)	Generation (GWh)		FFO		Per MWh	
	2014	2013	**2014**	2013	**2014**	2013
Revenues						
Contracted	**829**	774	**$ 62**	$ 64	**$ 75**	$ 83
Uncontracted	**1,404**	1,413	**147**	66	**105**	47
	2,233	2,187	**209**	130	**94**	59
Less: Purchases from BREP	**(2,233)**	(2,187)	**(165)**	(162)	**(74)**	(74)
FFO	**-**	-	**$ 44**	$ (32)	**$ 20**	$ (15)

- Realized prices per MWh for uncontracted power increased to $105/MWh, representing a 123% increase over the prior year and includes enhanced pricing and ancillary revenues that we receive as a result of our marketing initiatives and capacity sales. The average contracted price declined to $75 per MWh due to lower currency exchange rates.

Last Twelve Months

FOR THE LTM ENDED MAR. 31 (GIGAWATT HOURS AND $ MILLIONS)	Generation (GWh)		FFO		Per MWh	
	2014	2013	**2014**	2013	**2014**	2013
Revenues						
Contracted	**3,487**	2,464	**$ 285**	$ 203	**$ 82**	$ 82
Uncontracted	**5,359**	4,349	**321**	187	**60**	43
	8,846	6,813	**606**	390	**68**	57
Less: Purchases from BREP	**(8,846)**	(6,813)	**(648)**	(496)	**(73)**	(73)
FFO	**-**	-	**$ (42)**	$ (106)	**$ (5)**	$ (16)

Invested capital in our infrastructure operations is held primarily through our 28% interest in Brookfield Infrastructure Partners as well as interests in our sustainable resources.

Financial Position and Performance

AS AT MAR. 31, 2014 AND DEC. 31, 2013 AND FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Invested Capital		Funds from Operations – Three Months		Funds from Operations – LTM	
	2014	2013	**2014**	2013	**2014**	2013
Investment in BIP L.P. units	**$ 1,455**	$ 1,478	**$ 50**	$ 43	**$ 192**	$ 140
Directly held						
Acadian Timber Corp.	**65**	67	**2**	2	**8**	7
Brazil Agriculture	**422**	393	**4**	1	**8**	5
Pacific Northwest Timberlands	**-**	-	**-**	12	**9**	21
Other assets	**224**	233	**3**	-	**6**	18
	2,166	2,171	**59**	58	**223**	191
Realized disposition gains	**-**	-	**-**	30	**220**	75
	$ 2,166	$ 2,171	**$ 59**	$ 88	**$ 443**	$ 266

Operational Measures

- We own high quality, long-life assets:
  - Utilities: Networks in North and South America, Europe and Australasia, including 10,500 km of transmission lines and 2.1 million connections.
  - Transport: 30 ports, 3,200 km of toll roads and 5,100 km of rail operations.
  - Energy transmission, distribution and storage: 15,500 km of transmission pipelines, over 50,000 gas distribution customers and 300 billion cubic feet of natural gas storage capacity in the U.S. and Canada.

Financial Performance

- Infrastructure FFO prior to disposition gains of $59 million slightly increased over the prior quarter.
  - Our share of BIP's FFO increased by 16% to $50 million as a result of the contribution from capital deployed over the past twelve months.
  - FFO from directly held assets decreased due to the sale of our U.S. timberlands operations in the prior year.

Brookfield Infrastructure Partners L.P. (“BIP”)
($8 billion market capitalization)
NYSE: BIP, TSX: BIP.UN

$1.92 annual distribution per unit
5% – 9% Target distribution growth
60% – 70% FFO Payout

Financial Position and Performance – BIP

AS AT MAR. 31, 2014 AND DEC. 31, 2013 AND FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Invested Capital		Funds from Operations – Three Months		Funds from Operations – LTM	
	2014	2013	**2014**	2013	**2014**	2013
Utilities	**$ 1,931**	$ 1,928	**$ 89**	$ 92	**$ 374**	$ 335
Transport	**2,527**	2,456	**95**	67	**354**	197
Energy	**711**	702	**26**	22	**74**	74
Corporate and other	**(64)**	100	**(24)**	(21)	**(94)**	(92)
Attributable to unitholders	**5,105**	5,186	**186**	160	**708**	514
Non-controlling interest	**(3,650)**	(3,708)	**(136)**	(117)	**(516)**	(374)
Brookfield's interest	**$ 1,455**	$ 1,478	**$ 50**	$ 43	**$ 192**	$ 140

- BIP’s FFO was $186 million for the quarter of which our share was $50 million, an increase of 16% over the $43 million recorded in the 2013 quarter, reflecting deployment of capital in organic growth initiatives and new businesses.
  - **Utilities** FFO decreased by $3 million to $89 million, reflecting the sale of our Australasian regulated distribution business in the fourth quarter of 2013. Excluding impact of the sale, FFO increased by $6 million as the business benefitted from inflation indexation and commissioning of capital projects into our rate base.
  - **Transport** FFO increased 42% to $95 million due primarily to the increased ownership in our Brazilian toll road operation in Q3 2013, as well as contribution from the completion of our Australian rail expansion and a strong grain harvest.
  - **Energy** FFO increased to $26 million driven by improved performance at our North American gas transmission business as a result of increased natural gas volume demand into the Chicago market due to extreme cold weather.

INVESTED CAPITAL – PRIVATE EQUITY AND OTHER
Summarized Results

Private Equity:	Residential Development:	Service Activities:
Brookfield Capital Partners (Series of private equity funds with **$3.4 billion** of commitments)	**Brookfield Residential Properties Inc.** **Brookfield Incorporações S.A.**	**Construction and Property Services**

Financial Position and Performance

AS AT MAR. 31, 2014 AND DEC. 31, 2013 AND FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Invested Capital		Funds from Operations			
			Three Months		LTM	
	2014	2013	**2014**	2013	**2014**	2013
Private equity	**$ 1,340**	$ 1,105	**$ 28**	$ 95	**$ 229**	$ 281
Residential development	**1,603**	1,435	**19**	(16)	**81**	14
Service activities	**1,308**	1,286	**12**	28	**141**	175
	4,251	3,826	**59**	107	**451**	470
Realized disposition gains	**-**	-	**35**	62	**289**	163
	$ 4,251	$ 3,826	**$ 94**	$ 169	**$ 740**	$ 633

Performance Highlights

- FFO prior to disposition gains decreased by $48 million to $59 million in the first quarter, due largely to a decline in panel board prices from particularly high levels in the 2013 quarter and the elimination of earnings from businesses sold since the comparative quarter:
  - Private equity FFO from businesses owned throughout both quarters decreased by $41 million. Lower contributions from our panel board businesses, reflecting 50% lower North American panel board prices, resulted in a $49 million decline, although sales volumes continued to be strong. Pricing in the first quarter of 2013 was particularly high as a result of increased housing starts and panel board supply constraints. This was partially offset by an $8 million increase in our energy related business. The impact of a reduced ownership level in our investments decreased FFO by $18 million.
  - Residential development FFO increased by $35 million, due to a $21 million gain on the sale of two commercial properties, as well as stronger pricing and volumes in our North American operations. FFO from Brazilian operations was reduced by non-core asset dispositions, as we exited lower performing markets, and increases in construction costs.
  - Service activities FFO decreased as a result of lower levels of construction activity during the quarter in our Australian operations.
- Invested capital increased to $4.3 billion during the first quarter, reflecting capital deployed and earnings in combination with the impact of higher currency values for the Australian dollar and Brazilian real.

Brookfield

Additional Information




ROLLFORWARD OF IFRS COMMON EQUITY

FOR THE THREE MONTHS ENDED MAR. 31, 2014 (MILLIONS)	Asset Management	Property	Renewable Energy	Infrastructure	Private Equity & Other	Corporate Activities	Total
Funds from operations	$ 88	$ 199	$ 164	$ 59	$ 94	$ (112)	$ 492
Less: realized disposition gains[1]	-	(70)	-	-	-	-	(70)
Valuation items	-	368	(94)	(49)	171	(5)	391
Deferred income taxes	-	(237)	(20)	(10)	15	(20)	(272)
	88	260	50	-	280	(137)	541
Other comprehensive income							
Foreign currency revaluation	3	61	4	11	(11)	34	102
Valuation items	-	(10)	(75)	15	5	14	(51)
Deferred income taxes	-	8	21	(1)	2	11	41
	91	319	-	25	276	(78)	633
Equity items	-	(353)	-	-	(68)	6	(415)
Changes in capitalization	(88)	(60)	(116)	(30)	217	77	-
Common share dividends	-	-	-	-	-	(92)	(92)
Preferred distributions	-	-	-	-	-	(38)	(38)
Common share repurchases, net	-	-	-	-	-	(22)	(22)
In period change	3	(94)	(116)	(5)	425	(147)	66
Common equity, beginning balance	216	13,339	4,428	2,171	3,826	(6,199)	17,781
Common equity, ending balance	$ 219	$ 13,245	$ 4,312	$ 2,166	$ 4,251	$ (6,346)	$ 17,847

1. *Includes realization of fair value changes and revaluation surplus recorded in previous periods*

- IFRS common equity increased slightly to $17.8 billion, primarily from $541 million of net income and $92 million of other comprehensive income offset by common and preferred share dividends and $415 million of equity charges.
  - We recorded a $353 million net dilution loss to our equity base, following the acquisition of 220 million BPO common shares from non-controlling interests and dilution from 89.4% to 71.9% of BPY.

SUMMARY OF VALUATION ITEMS

FOR THE THREE MONTHS ENDED MAR. 31 (MILLIONS)	Property	Renewable Energy	Infrastructure	Private Equity & Other[1]	Corporate Activities	Total[2] 2014	Net[2,3] 2014	Net[2,3] 2013
Recorded in net income								
Fair value changes								
Appraisal gains	$ 645	$ 20	$ -	$ 230	$ -	**$ 895**	**$ 617**	$ 219
Interest rates and currencies	-	-	(16)	-	(1)	**(17)**	**(7)**	(22)
Power sale agreements	-	(17)	-	-	-	**(17)**	**(13)**	(52)
Other fair value changes	10	(10)	(38)	(29)	(2)	**(69)**	**(29)**	9
Total fair value changes	655	(7)	(54)	201	(3)	**792**	**568**	154
Depreciation and amortization	(87)	(132)	(164)	(68)	(2)	**(453)**	**(177)**	(183)
	568	(139)	(218)	133	(5)	**339**	**391**	(29)
Non-controlling interests in net income	(200)	45	169	38	-	**52**	**-**	-
	368	(94)	(49)	171	(5)	**391**	**391**	(29)
Recorded in OCI								
Capital markets	(2)	-	12	16	1	**27**	**12**	(14)
Interest rate and currency contracts	(35)	-	9	-	12	**(14)**	**10**	50
Power sale agreements	-	(89)	-	-	-	**(89)**	**(75)**	18
Other fair value changes	(1)	-	(1)	(5)	1	**(6)**	**2**	(8)
	(38)	(89)	20	11	14	**(82)**	**(51)**	46
Non-controlling interests in OCI	28	14	(5)	(6)	-	**31**	**-**	-
	(10)	(75)	15	5	14	**(51)**	**(51)**	46
Valuation items	$ 358	$ (169)	$ (34)	$ 176	$ 9	**$ 340**	**$ 340**	$ 17

1. *Includes private equity, residential development and services activities*
2. *Includes valuation items within equity accounted investments*
3. *Net of non-controlling interests*

- **Valuation Items** in our IFRS financial statements include fair value changes and depreciation and amortization, recorded within **net income**, and valuation items included in **other comprehensive income**, such as revaluation surplus, cash flow hedges and available-for-sale securities. Equity accounted valuation items are also included.
- Property appraisal gains primarily included gains on our U.S. office properties ($342 million), GGP's retail malls ($67 million) and a $141 million gain on our investment in Canary Wharf. Approximately 58% of the appraisal gains are due to improved cash flows and positive leasing and the remaining 42% from lower discount rates.
- Private equity appraisal gains include a $230 million gain on the revaluation of interest in a forest products business, following its partial sale and deconsolidation.

DISPOSITION GAINS RECONCILIATION TO IFRS FINANCIAL STATEMENTS

Three Months

FOR THE THREE MONTHS ENDED MAR. 31, 2014 (MILLIONS)	Operating Segment	FFO	IFRS Recognition[1] Net Income[2]	Equity[3]	Prior Periods[4]	Total
Western Forest Products sell-down	Private Equity	$ 35	$ 35	$ -	$ -	**$ 35**
Property dispositions and debt extinguishment	Property	76	6	-	70	**76**
Preferred share redemption premium	Corporate	(6)	(6)	-	-	**(6)**
		$ 105	**$ 35**	**$ -**	**$ 70**	**$ 105**

Last Twelve Months

FOR THE LTM ENDED MAR. 31, 2014 (MILLIONS)	Operating Segment	FFO	IFRS Recognition[1] Net Income[2]	Equity[3]	Prior Periods[4]	Total
Long-dated interest rate contract	Corporate	$ 525	$ 525	$ -	$ -	**$ 525**
Pacific Northwest timberlands	Infrastructure	163	(5)	-	168	**163**
New Zealand regulated distribution	Infrastructure	37	10	-	27	**37**
Canadian timberlands and other	Infrastructure	20	5	-	15	**20**
Pulp and paper business	Private Equity	200	261	-	(61)	**200**[5]
Western Forest Products sell-down	Private Equity	82	35	47	-	**82**
Other	Private Equity	7	(10)	17	-	**7**
Property dispositions	Property	93	(7)	-	100	**93**
Other	Renewable Energy	4	-	4	-	**4**
Portfolio gains	Corporate	(56)	21	-	(77)	**(56)**
		$ 1,075	**$ 835**	**$ 68**	**$ 172**	**$ 1,075**

1. *Net of non-controlling interests*
2. *Prior to the impact of deferred taxes*
3. *Gains or losses on changes in ownership of consolidated subsidiaries are recorded directly in equity under IFRS*
4. *Realization of prior period fair value changes or revaluation surplus are recognized in FFO on crystallization of value; however no impact to current period IFRS results*
5. *Net income includes a $61 million recapitalization gain recorded in FFO in prior periods that was not recognized under IFRS until the sale of this business in the current quarter*

Capitalization

AS AT MAR. 31, 2014 AND DEC. 31, 2013 (MILLIONS)	Corporate		Proportionate		Consolidated	
	2014	2013	**2014**	2013	**2014**	2013
Corporate borrowings	**$ 4,364**	$ 3,975	**$ 4,364**	$ 3,975	**$ 4,364**	$ 3,975
Non-recourse borrowings						
Property-specific mortgages	**-**	-	**22,010**	20,319	**36,878**	35,495
Subsidiary borrowings	**-**	-	**4,743**	3,998	**7,666**	7,392
	4,364	3,975	**31,117**	28,292	**48,908**	46,862
Accounts payable and other	**1,029**	978	**6,389**	6,041	**10,820**	10,316
Deferred tax liabilities	**44**	24	**4,028**	3,737	**6,570**	6,164
Capital securities	**157**	163	**561**	439	**765**	791
Interests of others in consolidated funds	**-**	-	**-**	-	**1,265**	1,086
Equity						
Non-controlling interests	**-**	-	**-**	-	**25,828**	26,647
Preferred equity	**3,279**	3,098	**3,279**	3,098	**3,279**	3,098
Common equity	**17,847**	17,781	**17,847**	17,781	**17,847**	17,781
	21,126	20,879	**21,126**	20,879	**46,954**	47,526
Total capitalization	**$ 26,720**	$ 26,019	**$ 63,221**	$ 59,388	**$ 115,282**	$ 112,745
Debt to capitalization[1]	**16%**	15%	**49%**	48%	**42%**	42%

1. *Determined as the aggregate of corporate borrowings and non-recourse borrowings divided by total capitalization*

FINANCIAL PERFORMANCE (IFRS) – Three Months Ended March 31

Condensed Statements of Operations

FOR THE THREE MONTHS ENDED MAR. 31 (MILLIONS, EXCEPT PER SHARE AMOUNTS)	2014	2013	Change
Total revenues and other gains	$ 4,373	$ 4,951	$ (578)
Direct costs	(2,990)	(3,420)	430
Equity accounted income	274	266	8
Expenses			
Interest	(626)	(655)	29
Corporate costs	(33)	(44)	11
Fair value changes	715	61	654
Depreciation and amortization	(376)	(365)	(11)
Income tax	(494)	(97)	(397)
Net income	843	697	146
Non-controlling interests	(302)	(337)	35
Net Income attributable to shareholders	$ 541	$ 360	$ 181
Net income per share	$ 0.80	$ 0.51	$ 0.29

Financial highlights

- **Total revenues and other gains** less **direct costs** decreased by $148 million in aggregate, as price and margin increases in our renewable energy and residential development operations were more than offset by price reductions in our forest products investments and a lease expiry within our office properties. Both revenues and other gains and direct costs decreased from the prior year, due to the sale and deconsolidation of pulp and paper businesses within our private equity operations and non-core timberlands over the past twelve months, which reduced revenues and other gains and direct costs by $700 million and $558 million, respectively,

- **Equity accounted income** increased by $8 million due to higher net operating income at General Growth Properties, improved results at our natural gas pipeline investment and a larger investment in South American toll roads. These increases were partially offset by lower levels of appraisal gains.

- We recorded a higher level of **fair value changes,** primarily due to a higher levels of appraisal gains on our U.S. office properties and our investment in Canary Wharf. In addition, we recognized a $230 million gain on the partial sale and resultant revaluation of a forest products investment in our private equity operations.

- **Income tax** expense increased as a change in the effective tax rates for a portion of our property operations gave rise to an increase in the deferred tax liability.

- **Net income attributable to shareholders** increased as our share of fair value changes was partially offset by higher income tax expense. In addition, the higher contribution from favourable pricing within our renewable energy operations and increased fee related earnings was offset by reduced pricing and volumes in our private equity and other operations.

Common Share Continuity

FOR THE THREE MONTHS ENDED MAR. 31 (MILLIONS)	2014	2013
Outstanding at beginning of period	615.5	619.6
Issued (repurchased)		
Repurchases	(1.3)	(4.5)
Long-term share ownership plans	1.4	0.8
Dividend reinvestment plan	0.1	-
Outstanding at end of period	615.7	615.9
Unexercised options	38.0	39.0
Total diluted shares at end of period	653.7	654.9
Cash value of unexercised options	$ 997	$ 995

- The company holds 10.6 million common shares for management share ownership plans, which have been deducted from the total number of shares outstanding.
- 1.3 million of these shares are included in diluted shares outstanding for a net reduction of 9.3 million.

FFO and Earnings Per Share Information

FOR THE THREE MONTHS ENDED MAR. 31 (MILLIONS)	Funds from Operations		Net Income	
	2014	2013	2014	2013
Funds from operations/Net income	$ 492	$ 689	$ 541	$ 360
Preferred share dividends	(38)	(36)	(38)	(36)
	454	653	503	324
Capital securities dividends	-	-	2	4
Funds from operations/Net income available for shareholders	$ 454	$ 653	$ 505	$ 328
Weighted average shares	615.4	618.8	615.4	618.8
Dilutive effect of the conversion of options using treasury stock method	12.8	13.3	12.8	13.3
Dilutive effect of the conversion of capital securities	-	-	4.7	9.9
Shares and share equivalents	628.2	632.1	632.9	642.0

RECONCILIATION OF NET INCOME TO FFO

March 31, 2014

FOR THE THREE MONTHS ENDED (MILLIONS)	IFRS	Reconciling Items: Eliminate Non-FFO Items	Intersegment Adjustments	Realized Disposition Gains	FFO
Total revenues and other gains	$ 4,373	$ -	$ 144	$ -	$ 4,517
Direct costs	(2,990)	-	70	-	(2,920)
Realized disposition gains	-	-	-	70	70
Equity accounted income	274	(14)	-	-	260
Expenses					
Interest	(626)	-	-	-	(626)
Corporate costs	(33)	-	(214)	-	(247)
Fair value changes	715	(715)	-	-	-
Depreciation and amortization	(376)	376	-	-	-
Income tax	(494)	457	-	-	(37)
Net income	843				
Non-controlling interests	(302)	(223)	-	-	(525)
Net income / FFO attributable to shareholders	$ 541	$ (119)	$ -	$ 70	$ 492

March 31, 2013

FOR THE THREE MONTHS ENDED (MILLIONS)	IFRS	Reconciling Items: Eliminate Non-FFO Items	Intersegment Adjustments	Realized Disposition Gains	FFO
Total revenues and other gains	$ 4,951	$ -	$ 85	$ -	$ 5,036
Direct costs	(3,420)	-	22	-	(3,398)
Realized disposition gains	-	-	-	264	264
Equity accounted income	266	(68)	(1)	-	197
Expenses					
Interest	(655)	-	-	-	(655)
Corporate costs	(44)	-	(106)	-	(150)
Fair value changes	61	(61)	-	-	-
Depreciation and amortization	(365)	365	-	-	-
Income tax	(97)	63	-	-	(34)
Net income	697				
Non-controlling interests	(337)	(234)	-	-	(571)
Net income / FFO attributable to shareholders	$ 360	$ 65	$ -	$ 264	$ 689

OPERATING AND PERFORMANCE MEASURES

This Supplemental Information contains key operating and performance measures that we employ in analysing and discussing our results. These measures include non-IFRS measures. We describe our key financial measures below and include a complete list of our operating and performance measures on pages 34 through 36 of our December 31, 2013 annual report.

- **Funds from Operations (FFO)** is our key measure of financial performance. FFO is defined as net income attributable to shareholders prior to valuation gains, depreciation and amortization, and 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. Brookfield uses FFO to assess its operating results and the value of its business and believes that many of its shareholders and analysts also find this measure of value to them.

  FFO and its per share equivalent are non-IFRS measures which do not have any standard meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other companies. FFO is reconciled to net income attributable to shareholders on slide 32.

  - FFO from **Operating Activities** represents the company's share of revenues less operating costs and interest expenses; excludes disposition gains, valuation items and 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 Disposition Gains** are included in FFO as the purchase and sale of assets is a normal part of the company's business. Realized disposition gains include gains and losses recorded directly in net income or equity in the current period, adjusted to include fair value changes and revaluation surplus balances recorded in prior periods.

- **Valuation Items** are excluded from the determination of FFO. Net income includes the following valuation items: fair value changes and depreciation and amortization. Unless otherwise noted, valuation items also include the following items in other comprehensive income: gains or losses within revaluation surplus, cash flow hedges and available-for-sale securities. Valuation items also include the company's share of equity accounted investments' valuation items. Valuation items are non-IFRS measures on an entity basis and are reconciled to our IFRS financial statements in Note 3 of our annual report.
- **Invested Capital** is the amount of common equity allocated to a business segment or business line within a segment. This measure is intended to present the net assets associated with FFO of the segment.
- **LTM** represents last twelve months.

- **Fee Bearing Capital** represents the capital committed, pledged or invested in our listed issuers, private funds, and public securities that we manage which entitle us to earn fee revenues and/or carried interests. Fee bearing capital includes both called ("invested") and uncalled ("pledged" or "committed") amounts.
- **Fee Revenues** include base management fees, incentive distributions, performance fees and transaction and advisory fees presented within our asset management segment. Fee revenues exclude carried interest.
- **Fee Related Earnings** is comprised of fee revenues less direct costs (other than costs related to carried interests).
- **Base Management Fees** are determined by contractual arrangements, are typically equal to a percentage of Fee Bearing Capital, are accrued quarterly, include base fees earned on fee bearing capital from both clients and ourselves and are typically earned on both called and uncalled amounts.
- **Incentive Distributions** are determined by contractual arrangements and are paid to us by our three primary listed entities and represent a portion of distributions paid by a listed issuer above a pre-determined threshold.
- **Performance Fees** are paid to us when we exceed pre-determined investment returns on certain portfolios managed in our public securities activities. Performance fees are typically determined on an annual basis and are not subject to "clawback."
- **Carried Interests** are contractual arrangements 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 interests are 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. We defer recognition of carried interests 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 interests earned in respect of third-party capital when determining our segment results.

Cautionary Note Concerning Forward-Looking Statements

Note: This Supplemental Information contains forward-looking information within the meaning of Canadian provincial securities laws and other "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 or the Securities Exchange Commission (SEC) or in other communications. These forward-looking statements include, among others, statements with respect to our financial and operating objectives and strategies to achieve those objectives, 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 there from, the prospects for increasing our cash flow from or continued achievement of targeted returns on our investments, as well as the outlook for the Company's businesses and other statements with respect to our beliefs, outlooks, plans, expectations, and intentions.

Although Brookfield Asset Management believes that the 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 which may cause the actual results, performance or achievements of the company to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking statements and information.

Factors that could cause actual results to differ materially from those contemplated or implied by forward-looking statements include: economic and financial conditions in the countries in which we do business; the behavior of financial markets including fluctuations in interest and exchange rates; availability of equity and debt financing; strategic actions including dispositions; the ability to effectively integrate acquisitions into existing operations and the ability to attain expected benefits; adverse hydrology conditions; regulatory and political factors within the countries in which the company operates; acts of God, such as earthquakes and hurricanes; the possible impact of international conflicts and other developments including terrorist acts; and other risks and factors detailed from time to time in the company's form 40-F filed with the Securities and Exchange Commission as well as other documents filed by the company with the securities regulators in Canada and the United States including in the Annual Information Form under the heading "Business Environment and Risks."

We caution that the forgoing list of important factors that may affect future results is not exhaustive. When relying on our forward-looking statements to make decisions with respect to Brookfield Asset Management, investors and others should carefully consider the forgoing factors and other uncertainties and potential events. 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.