2015

Supplemental Information

Fourth Quarter and Full Year, December 31, 2015

Brookfield

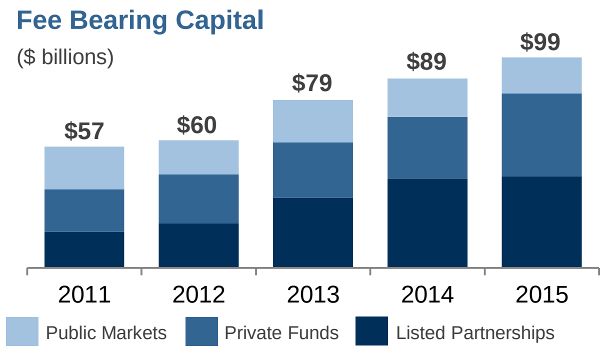
2015 Significant Highlights

- **Executed our fundraising plan, expanding our asset management operations**
  - We have nearly completed fundraising for our follow-on real estate and private equity funds, and recently launched our next infrastructure fund.
    - We are seeking to raise an additional $11 billion of commitments in 2016 for our follow-on flagship funds and more than $2 billion for new specialized private funds.
  - Announced the formation and partial spin-off to shareholders of Brookfield Business Partners L.P. (BBP), our flagship listed vehicle for owning our business services and industrial operations; we expect to launch BBP in the first half of 2016.
- **Funds from operations ("FFO") increased 18% to $2.6 billion, or $2.49 per share; Net income for 2015 was $4.7 billion, or $2.26 per share**
  - FFO prior to realized disposition gains and carried interest increased to $1.7 billion, representing substantial growth in fee-based revenues and solid operating results across most of our portfolio, reflecting the accretive contribution from our diversified capital deployment initiatives and operating expertise.
  - We generated $842 million of dispositions gains during the year, compared to $569 million in the previous year, as we continue to monetize assets at excellent valuations.
  - Net income benefitted from increases in fair value gains arising from our global commercial property portfolio, which resulted from strong leasing activity and strengthening market valuations for high quality properties, as evidenced by recent transactions.

Contents

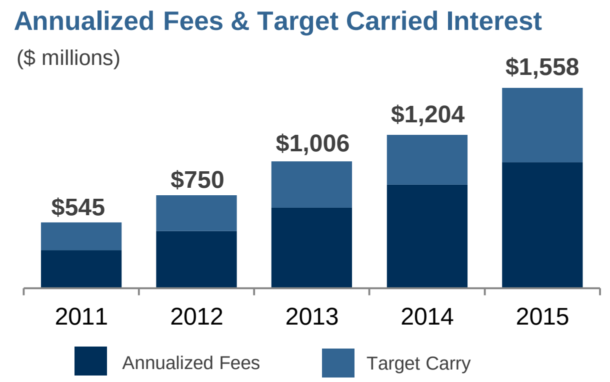
Fee Bearing Capital – $100 Billion

- Increased fee bearing capital by 12% to nearly $100 billion.
- Net inflows of $14 billion in year, $3 billion in the most recent quarter.
- Strong fundraising momentum with each of our flagship funds in marketing being at least 50% larger than their predecessor.



Annualized Fees & Target Carried Interest – $1.6 Billion

- Annualized fee base and target carried interest increased by 29% to $1.6 billion at year end.
- Annualized base fees and incentive distributions increased by 22% to $908 million, driven by strong private fund capital inflows and increased cash flows in our listed partnerships.



Capital Deployed – $21 Billion

- Invested $16 billion of capital, including $6 billion from our listed partnerships and $7 billion from our partners.
- Committed an additional $5 billion to investments, including a hydroelectric portfolio in Colombia.
- Substantial capital investment backlog of over $12 billion provides growth opportunities in addition to acquisitions.
- Significant core liquidity and uncalled fund commitments of $15 billion to execute growth initiatives.

OVERVIEW
Funds from Operations and Net Income

FOR THE PERIODS ENDED DEC. 31 (MILLIONS, EXCEPT PER SHARE AMOUNTS)	Three Months				Full Year			
	Funds from Operations[1]		Net Income[1]		Funds from Operations[1]		Net Income[1]	
	2015	2014	**2015**	2014	**2015**	2014	**2015**	2014
Operating activities								
Fee related earnings	**$ 158**	$ 103	**$ 158**	$ 103	**$ 519**	$ 378	**$ 519**	$ 378
Invested capital	**402**	317	**402**	317	**1,166**	1,210	**1,166**	1,210
	560	420	**560**	420	**1,685**	1,588	**1,685**	1,588
Realized carried interest	**-**	-	**-**	-	**32**	3	**32**	3
Realized disposition gains[2]	**421**	115	**302**	4	**842**	569	**305**	92
Fair value changes	**-**	-	**114**	1,051	**-**	-	**1,138**	2,800
Depreciation and amortization	**-**	-	**(213)**	(173)	**-**	-	**(780)**	(686)
Deferred income taxes	**-**	-	**(85)**	(252)	**-**	-	**(39)**	(687)
	$ 981	$ 535	**$ 678**	$ 1,050	**$ 2,559**	$ 2,160	**$ 2,341**	$ 3,110
Per share	**$ 0.97**	$ 0.52	**$ 0.66**	$ 1.06	**$ 2.49**	$ 2.11	**$ 2.26**	$ 3.11

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 prior years*

- **Fee related earnings** increased by 37% to $519 million. Fee bearing capital increased by $20 billion since the beginning of 2014, which contributed to an increase in base fees and incentive distributions to $852 million, a 27% increase over 2014. Fourth quarter fee related earnings increased by 53% to $158 million. Further details on slide 6.
- Fourth quarter FFO from **invested capital** increased 27% compared to the same period in 2014 due to improved results in our property and private equity operations. Full year FFO was 4% lower than 2014. FFO benefitted from accretive investments by our property, infrastructure and private equity operations, and also improved leasing and occupancy at our property operations, specifically in Lower Manhattan. These increases were offset by lower electricity generation levels. Further details on slide 12.
- We recognized $32 million of **realized carried interest** on the sale of commercial properties. Further details on slide 7.
- **Realized disposition gains** include the sale of a partial interest in our Manhattan West development project and mature commercial properties, including an interest in our marquee retail mall in Honolulu. Prior year sales include mature office properties and a forest products investment. Further details on slide 13.
- We generated $1.4 billion of **fair value changes** in year due primarily to increases in the value of our commercial properties, of which $305 million were realized on dispositions.

37% increase
in Fee Related Earnings since 2014

$99 billion
Fee Bearing Capital (12% LTM increase)

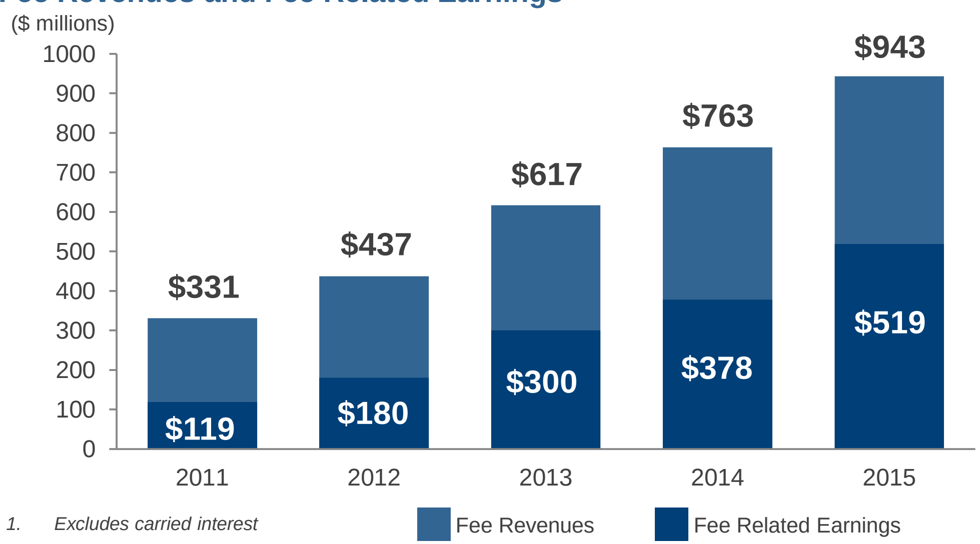
$1.6 billion
Annualized Fee Base and Target Carry (29% LTM increase)

Financial Performance

FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	Three Months		Full Year	
	2015	2014	**2015**	2014
Fee revenues	**$ 278**	$ 206	**$ 943**	$ 763
Carried interest, generated[1]	**32**	38	**219**	178
	$ 310	$ 244	**$ 1,162**	$ 941
FFO				
Fee related earnings[2]	**$ 158**	$ 103	**$ 519**	$ 378
Carried interest, net[3]	**-**	-	**32**	3
	$ 158	$ 103	**$ 551**	$ 381

1. *Amounts dependent on future investment performance are deferred*
2. *Net of direct costs*
3. *Carried interest in respect to third-party capital and net of direct costs*

Fee Revenues and Fee Related Earnings[1]



1. *Excludes carried interest*

Fee Bearing Capital – Profile

AS AT (MILLIONS)	**Dec. 2015**	Dec. 2014
Listed partnerships	**$ 43,017**	$ 42,021
Private funds	**39,151**	28,538
Public markets	**16,797**	17,981
	$ 98,965	$ 88,540

- Fee bearing capital includes five listed partnerships, 35 private funds and numerous funds and accounts within our public markets operations.
- We have six funds in the market seeking to raise $23 billion of capital, including $15 billion from third parties. We have already raised nearly $10 billion ($7 billion from third parties) of this capital and seek to complete fundraising for $21 billion of the $23 billion by mid-2016.
- Our client base is diversified and growing.
  - Over 340 global private fund investors, up 21% from last year; average commitment is ~$90 million.
  - ~ 40% of clients invest in multiple funds.
  - Weighted average life to maturity of private funds is eight years (10 years including extension options).
- Public markets include mutual funds and separately managed accounts with $5.8 billion of fixed income and $11.0 billion of equity securities.

Invested or committed over $21 billion of capital, including $5 billion since the third quarter

Capital invested or committed

FOR THE YEAR ENDED DEC. 31, 2015 (MILLIONS)	Geographic Allocation						
	North America	South America	Europe	Asia and Other	Total Invested	Committed	**Total**
Property	$ 2,792	$ 693	$ 4,170	$ 20	$ 7,675	$ 674	**$ 8,349**
Infrastructure	1,261	459	225	1,456	3,401	524	**3,925**
Renewable energy	-	814	131	-	945	3,563	**4,508**
Private equity and other	3,275	572	25	425	4,297	290	**4,587**
	$ 7,328	$ 2,538	$ 4,551	$ 1,901	$ 16,318	$ 5,051	**$ 21,369**

Significant investments include:

- Canary Wharf Group ($1.6 billion)
- Hospitality assets in the UK ($1.6 billion)
- Toehold investment in an Australian rail and logistics business ($1.2 billion)
- U.S. multifamily REIT ($1.0 billion).
- North American residential operations ($0.8 billion)
- Oil and gas investments in Australia ($0.7 billion)
- Retail and office buildings in Germany ($0.7 billion)
- Hydroelectric generation assets in the northeastern U.S. ($0.6 billion)

Committed capital investment includes approximately $3 billion for a large hydroelectric generation portfolio in Colombia.

Internal Development Project Pipeline

- We have a $12 billion capital backlog, which provides meaningful growth opportunities that complement our acquisitions activity.

AS AT DEC. 31 2015 (MILLIONS)	Geographic Allocation				
	North America	South America	Europe	Asia and Other	**Total**
Property	$ 2,521	$ 185	$ 4,487	$ -	**$ 7,193**
Infrastructure	241	1,082	482	161	**1,966**
Renewable energy	737	649	842	-	**2,228**
Private equity and other	295	-	10	309	**614**
	$ 3,794	$ 1,916	$ 5,821	$ 470	**$ 12,001**

- We expect that the acquisition of the generation portfolio in Colombia will increase our long-term renewable energy development pipeline by 3,800 MW.

FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	Three Months			Full Year		
	2015	2014	Variance	**2015**	2014	Variance
Base management fees						
Listed partnerships	**$ 90**	$ 84	$ 6	**$ 360**	$ 304	$ 56
Private funds	**108**	63	45	**339**	246	93
Public markets	**27**	26	1	**111**	95	16
Fee credits[1]	**(9)**	(5)	(4)	**(30)**	(20)	(10)
	216	168	48	**780**	625	155
Incentive distributions (IDRs)	**18**	12	6	**72**	48	24
Performance fees – public markets	**-**	6	(6)	**2**	21	(19)
Transaction and advisory fees	**44**	20	24	**89**	69	20
Fee revenues[2]	**278**	206	72	**943**	763	180
Direct costs						
Compensation and benefits	**(88)**	(77)	(11)	**(309)**	(279)	(30)
Other expenses	**(32)**	(26)	(6)	**(115)**	(106)	(9)
	(120)	(103)	(17)	**(424)**	(385)	(39)
Fee related earnings[2]	**$ 158**	$ 103	$ 55	**$ 519**	$ 378	$ 141

1. *Base fees on capital invested by BPY into private funds managed by Brookfield that are credited against listed partnership fees*
2. *Includes $14 million of fee revenues earned by BPY ($61 million on a full year basis) and $8 million of fee related earnings ($34 million on a full year basis) after deducting non-controlling interests*

Fourth Quarter:

- Private fund base fees increased to $108 million reflecting a 52% increase prior to $12 million of catch-up fees. The increase primarily relates to $30 million of fees on new fund capital in addition to catch-up fees.
- Transaction and advisory fees includes $12 million of co-investment fees and $32 million of advisory fees reflective of the number of transactions closed during the period.
- Direct costs increased by $17 million in aggregate due to the expansion of our operations and variable costs associated with the higher level of transaction and advisory fees. Gross profit margins were 55% (excluding catch-up fees), compared to 50% in the 2014 quarter. Other expenses also include $3 million (2014 – $3 million) of non-controlling interests related to fee related earnings received by BPY.
- Fee revenues include $45 million of base management fees from Brookfield capital (2014 – $40 million).

Full Year:

- Listed partnerships fees increased by $56 million, primarily due to an increase in BPY management fees upon investing $1.8 billion of cash towards the acquisition of Canary Wharf and an additional $1.3 billion of inflows within our other listed partnerships.
- Private funds base fees increased by 38%, reflecting $83 million of fees from new commitments and $10 million due to the step-up in fee rates on the investment of commitments in certain funds.
- Public markets fees increased by $16 million from the continued re-orientation to higher margin strategies, offsetting reduced market valuations.
- Incentive distributions increased by 50% reflecting our incentive participation in BIP and BREP unitholder distribution increases.
- Public market performance fees decreased reflecting lower market returns compared to the prior year.
- Transaction and advisory fees includes $19 million of co-investment fees (2014 – $18 million).
- Direct costs increased by $39 million in aggregate due to the expansion of our operations. Gross profit margins were 55% (2014 – 50%). Other expenses include $13 million (2014 – $10 million) of non-controlling interest.
- We estimate direct costs to increase by $15 million on an annualized basis, following the spin-off of BBP, as costs related to our private equity operations will be reclassified from corporate costs to asset management costs.
- Fee revenues include $177 million of base management fees from Brookfield capital (2014 – $141 million).

Generated carried interest approximated targeted levels in local currency terms, however the U.S. dollar amount decreased due to foreign currency variation

Realized Carried Interest[1]

FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	Three Months 2015	Three Months 2014	Full Year 2015	Full Year 2014
Generated	**$ 32**	$ 38	**$ 219**	$ 178
Recognition of deferred carry	**-**	-	**49**	8
Less: associated costs	**(12)**	(15)	**(83)**	(61)
Deferred recognition, net	**(20)**	(23)	**(153)**	(122)
Realized carried interest, net	**$ -**	$ -	**$ 32**	$ 3

1. *Carried interest in respect of third-party capital*

Deferred Carried Interest Continuity[1,2]

FOR THE PERIODS ENDED DEC. 31, 2015 (MILLIONS)	Three Months Unrealized Carried Interest	Three Months Direct Costs	Three Months Net	Full Year Unrealized Carried Interest	Full Year Direct Costs	Full Year Net
Unrealized balance, beginning of period	$ 626	$ (211)	$ 415	$ 488	$ (174)	$ 314
In period change						
Generated	45	(17)	28	335	(101)	234
Foreign currency revaluation	(13)	5	(8)	(116)	35	(81)
	32	(12)	20	219	(66)	153
Less: realized	-	-	-	(49)	17	(32)
	32	(12)	20	170	(49)	121
Unrealized balance, end of period	$ 658	$ (223)	$ 435	$ 658	$ (223)	$ 435

1. *Amounts dependent on future investment performance are deferred*
2. *Carried interest in respect of third-party capital*

- The funds to which unrealized carried interest relate have a weighted average term to realization of six years excluding extension options (eight years with extension options). Recognition is dependent on future investment performance.

Fee bearing capital increased by over $10 billion (12%) during 2015, increasing annualized base fees by 20% to $810 million

Three Months – December 31, 2015

FOR THE THREE MONTHS ENDED DEC. 31, 2015 (MILLIONS)	Listed Partnerships[1]	Private Funds[1,2]	Public Markets	**Total Fee Bearing**	**Annualized Base Fees**
Balance, beginning of period	$ 40,887	$ 36,316	$ 17,519	**$ 94,722**	**$ 760**
Inflows	227	3,026	500	**3,753**	**34**
Outflows	-	(141)	(1,129)	**(1,270)**	**(5)**
Distributions	(485)	-	-	**(485)**	**(6)**
Market valuation[3]	1,203	-	(93)	**1,110**	**14**
Other[4]	1,185	(50)	-	**1,135**	**13**
Change	2,130	2,835	(722)	**4,243**	**50**
Balance, end of period[5]	$ 43,017	$ 39,151	$ 16,797	**$ 98,965**	**$ 810**[6]

Full Year – December 31, 2015

FOR THE YEAR ENDED DEC. 31, 2015 (MILLIONS)	Listed Partnerships[1]	Private Funds[1,2]	Public Markets	**Total Fee Bearing**	**Annualized Base Fees**
Balance, beginning of period	$ 42,021	$ 28,538	$ 17,981	**$ 88,540**	**$ 675**
Inflows	1,303	11,962	4,104	**17,369**	**175**
Outflows	-	(938)	(3,386)	**(4,324)**	**(25)**
Distributions	(2,043)	-	-	**(2,043)**	**(26)**
Market valuation[3]	(704)	-	(1,902)	**(2,606)**	**(21)**
Other[4]	2,440	(411)	-	**2,029**	**32**
Change	996	10,613	(1,184)	**10,425**	**135**
Balance, end of period[5]	$ 43,017	$ 39,151	$ 16,797	**$ 98,965**	**$ 810**[6]

1. *Includes $1.8 billion and $4.8 billion of listed partnership and private fund capital managed by BPY, respectively, which generates $53 million annualized base fees*
2. *Includes $3.9 billion of co-investment capital, which typically earns minimal or no base fees*
3. *Fee bearing capital for listed partnerships and public markets based on market prices; private fund capital based on capital committed and/or deployed*
4. *Includes changes in net non-recourse leverage included in the determination of listed partnership capitalization and impact of foreign exchange fluctuation on non-U.S. dollar commitments. Annualized base fees include increases in fees upon calling and investing capital, as base management fees for certain funds increase when capital is called*
5. *Fee bearing capital includes Brookfield capital of $18.2 billion in listed partnerships and $1.9 billion in private funds*
6. *Net of $40 million fee credit, in respect of $4.4 billion of BPY's capital invested in private funds*

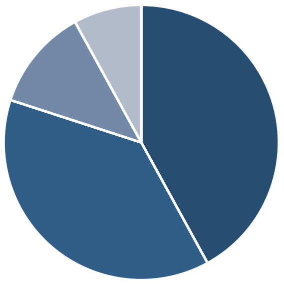
Annualized Fees and Carry

AS AT (MILLIONS)	Dec. 31, 2015	Sep. 30, 2015	Dec. 31, 2014
Base management fees[1,2]			
Listed partnerships	$ **350**	$ 325	$ 335
Private funds	**390**	365	265
Public markets	**110**	110	95
Fee credits[3]	**(40)**	(40)	(20)
	810	760	675
Incentive distributions[4]	**98**	73	68
Transaction and advisory[5]	**79**	61	61
Performance income[5]	**11**	20	25
Fee revenues[6]	**998**	914	829
Target carried interest[7]	**560**	485	375
	$ **1,558**	$ 1,399	$ 1,204

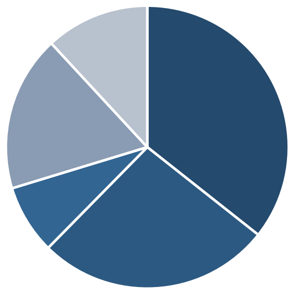
1. *Based on capital committed or invested and contractual arrangements*
2. *Base management fees include $179 million of annualized base fees on Brookfield capital, net of fee credits (Sep. 30, 2015 – $166 million, Dec. 31, 2014 – $165 million)*
3. *Base fees eliminated on capital invested by BPY's into private funds managed by Brookfield*
4. *Based on most recent quarterly distributions declared*
5. *Simple average of the last two years' results*
6. *Includes $53 million of annualized fee revenue generated by BPY (Sep. 30, 2015 – $59 million, Dec. 31, 2014 – $61 million)*
7. *Based on prescribed carried interest for private funds and target gross return. Includes only third-party capital*

Fee Revenue Diversification[1]

BY PRODUCT



BY PLATFORM



1. *Fee revenues based on annualized fees, excludes target carried interest*

- Annualized fees and target carry totalled $1.6 billion at December 31, 2015 representing a 29% increase since the prior year.
  - Our product mix of listed partnerships, private funds and public market portfolios provides diversification and increases stability.
- We estimate annualized base management fees will increase by approximately $17 million when $1.4 billion of third-party uncalled capital is invested, as base management fees for certain private funds increase 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 above).
- We utilize gross margins for fee revenues and target carried interest of between 50-60%, and 60-70%, respectively, for planning purposes.

Annualized Incentive Distributions

AS AT DEC. 31, 2015 (MILLIONS, EXCEPT PER UNIT AMOUNTS)	Annualized Distribution (Per Unit)	Distribution Hurdles (Per Unit)	Incentive Distribution (Per Unit)[1]	Units Outstanding[2]	Annualized Incentive Distribution[2]
Brookfield Infrastructure Partners	$ 2.28	$1.22 / $1.32	15% / 25%	230.1	$ 78
Brookfield Renewable Energy Partners	1.78	1.50 / 1.69	15% / 25%	275.5	17
Brookfield Property Partners	1.12	1.10 / 1.20	15% / 25%	711.4	3
					$ 98

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

Annualized Target Carried Interest

AS AT DEC. 31, 2015 (MILLIONS)	Private Funds Fee Bearing Capital	Third-Party Capital Subject to Carried Interest[1]	Target Return	Average Carried Interest	Utilization Factor[2]	Annualized Target Carried Interest[2]
Core and Value Add	$ 19,133	$ 12,300	10% to 15%	~18%	~85%	$ 200
Opportunistic and Private Equity	20,018	12,700	18% to 25%	~20%	~75%	360
	$ 39,151	$ 25,000				$ 560

1. *Excludes Brookfield capital and capital invested by our listed partnerships into private funds of $9.1 billion, as well as capital for which carried interest is either not provided or is credited against fees earned on other funds of $4.9 billion*
2. *Utilization factor discount reflects the amount of capital invested at a point in time*

- Annualized target carry represents expected total carry earned over the life of the fund based on targeted return items, annualized on a straight-line basis.
- Carried interest generated on our private funds currently lags targeted carried interest, as a significant portion of our third-party private fund capital is not yet invested or has recently been invested.
  - Third-party capital subject to carried interest has been invested for three years, on a weighted average basis.

INVESTED CAPITAL
Summarized Results

80%
of invested capital is held in listed securities

$15 billion
of total liquidity available to deploy

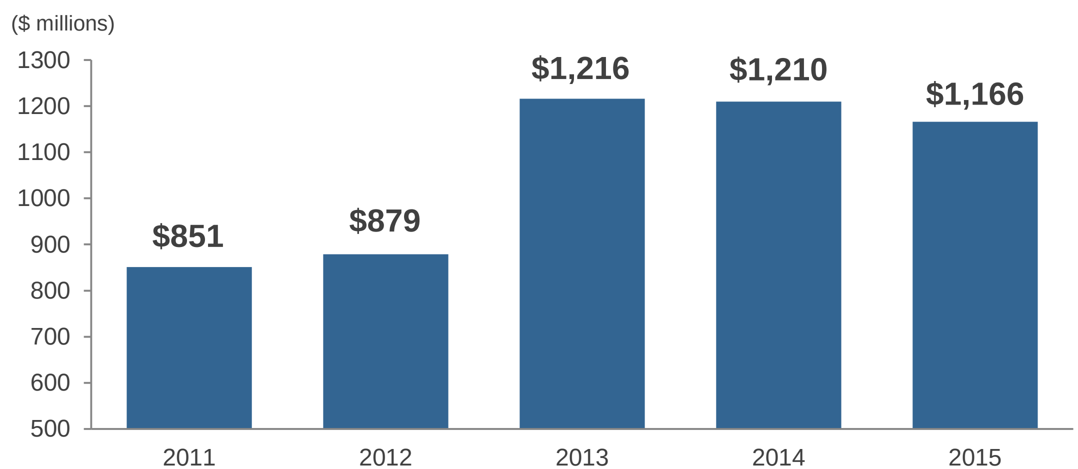
$1.2 billion
of annualized distributions from listed investments

Financial Performance

AS AT DEC. 31 AND FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	Funds from Operations			
	Three Months		Full Year	
	2015	2014	**2015**	2014
Listed investments	**$ 309**	$ 289	**$ 1,188**	$ 1,243
Unlisted assets[1]	**178**	120	**318**	332
Capitalization[2,3]	**(85)**	(92)	**(340)**	(365)
	402	317	**1,166**	1,210
Disposition gains	**421**	115	**842**	569
	$ 823	$ 432	**$ 2,008**	$ 1,779

1. *Includes Brookfield Residential and Brookfield Incorporações for both the three months and full year*
2. *FFO excludes distributions on preferred shares*
3. *Includes net working capital and operating costs*

FFO – Operating Activities (Full Year)[1]



1. *Excludes disposition gains and net of associated asset management fees paid*

Invested Capital – Profile

- Approximately 70% of our invested capital is invested in our flagship listed partnerships: BPY, BREP and BIP. These partnerships serve as the primary vehicles through which we invest in our private funds.
- Our capitalization consists primarily of $3.8 billion of term debt, draws backed by our $1.9 billion revolving facilities, and $3.7 billion perpetual preferred shares.

Listed Partnerships

	BPY	BREP	BIP
Market cap. (bns)[1]	$ 19.1	$ 7.2	$ 8.7
Annual distribution[2]	$ 1.12	$ 1.78	$ 2.28
Targeted:			
- Distribution growth	5-8%	5-9%	5-9%
- FFO payout	80%	60-70%	60-70%
BAM ownership[3]	62%	63%	30%

1. *Based on December 31, 2015 public pricing; includes convertible preferred securities*
2. *On a per unit basis*
3. *Economic fully diluted ownership interest*

INVESTED CAPITAL – SEGMENT FUNDS FROM OPERATIONS
(Excluding Realized Disposition Gains)

FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	Three Months			Full Year		
	2015	2014	Variance	**2015**	2014	Variance
Property	**$ 180**	$ 144	$ 36	**$ 602**	$ 554	$ 48
Renewable energy	**38**	38	-	**208**	313	(105)
Infrastructure	**63**	55	8	**245**	222	23
Private equity and service activities	**97**	87	10	**286**	282	4
Residential development	**115**	67	48	**135**	164	(29)
Investment income	**(6)**	18	(24)	**30**	40	(10)
	487	409	78	**1,506**	1,575	(69)
Unallocated						
Interest expenses	**(56)**	(58)	2	**(224)**	(232)	8
Corporate costs and taxes	**(29)**	(34)	5	**(116)**	(133)	17
FFO – Invested capital	**$ 402**	$ 317	$ 85	**$ 1,166**	$ 1,210	$ (44)

Fourth Quarter:

- **Property:** FFO increased due to recent acquisitions, including our increased ownership interest in Canary Wharf ($27 million), a UK resort property operator and a multifamily portfolio in the U.S. Our office and retail operations benefitted from positive same-store growth due to rent commencing on new leases in our New York office portfolio and rising lease rates.
- **Residential development:** Our Brazilian and other residential operations continue to experience lower deliveries, however FFO increased by $42 million in the quarter, as the prior year included additional costs and higher levels of interest expense. North American FFO increased by $6 million due to our increased ownership of this business and higher volumes of completed home sales, partially offset by lower margins on housing and lot sales.
- **Investment Income**: FFO decreased by $24 million due to lower market pricing for non-core financial assets.

Full Year:

- **Property:** FFO benefitted from the contribution of new investments and positive same property growth in our office and retail portfolios, particularly in lower Manhattan.
- **Renewable energy:** Our share of BREP's FFO decreased by $105 million primarily due to lower generation levels. Our energy marketing operations deficit increased by $18 million compared to 2014, which benefitted from exceptionally high electricity prices in the first quarter of 2014.
- **Infrastructure:** FFO benefitted from the contribution of our newly acquired communications infrastructure assets in addition to internal growth initiatives, which produced a 12% increase in same store FFO on a constant currency basis.
- **Residential development:** Reduced deliveries and margins in our Brazilian operations decreased FFO by $36 million. On a full-year basis, our North American operation's FFO decreased by $12 million as increased home closings were more than offset by reduced margins caused by a change in product mix, foreign currency and our higher ownership interest.
- **Corporate costs:** Decreased due to cost reduction initiatives and include $10 million of cash taxes paid.

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

FOR THE PERIODS ENDED DEC. 31 (MILLIONS, EXCEPT PER SHARE AMOUNTS)	Three Months				Full Year			
	Funds from Operations[1,2,3]		Net Income[2,3]		Funds from Operations[1,2,3]		Net Income[2,3]	
	2015	2014	**2015**	2014	**2015**	2014	**2015**	2014
Property								
Manhattan West partial sale	**$ 203**	$ -	**$ 191**	$ -	**$ 203**	$ -	**$ 191**	$ -
Ala Moana partial sale	**-**	-	**-**	-	**170**	-	**-**	-
Australian office properties	**119**	-	**91**	-	**119**	-	**91**	-
Other properties	**64**	115	**25**	4	**293**	330	**16**	51
	386	115	**307**	4	**785**	330	**298**	51
Renewable energy wind facility	**-**	-	**-**	-	**25**	-	**18**	-
Infrastructure	**-**	-	**-**	-	**7**	-	**4**	-
Private equity and other	**35**	-	**(5)**	-	**25**	239	**(15)**	41
Corporate/asset management	**-**	-	**-**	-	**-**	-	**-**	-
	$ 421	$ 115	**$ 302**	$ 4	**$ 842**	$ 569	**$ 305**	$ 92
Per share	**$ 0.43**	$ 0.12	**$ 0.31**	$ 0.00	**$ 0.87**	$ 0.60	**$ 0.31**	$ 0.09

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

Fourth Quarter:

- **Property:** Other property gains include dispositions or sales of interests in 78 properties including core office properties in Seattle, Boston, Washington D.C., Toronto and London as well as opportunistic assets.
- **Private equity and other:** Partial sale of a real estate services business.

Full Year:

- **2015:** Office and other property disposition gains ($592 million); retail property disposition gains ($193 million) including the sale of an interest in our marquee retail mall in Honolulu ($172 million).
- **2014:** Office and other property disposition gains ($238 million); gain on non-core infrastructure assets ($87 million); disposition gain on Western Forest Products shares ($226 million); and a gain on repayment of a European office portfolio debt investment ($30 million).

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

AS AT AND FOR THE PERIODS ENDED DEC. 31 (MILLIONS, EXCEPT PER SHARE AMOUNTS)	Invested Capital		Funds from Operations: Three Months		Funds from Operations: Full Year	
	2015	2014	**2015**	2014	**2015**	2014
Asset management						
Fee related earnings	**$ 328**	$ 323	**$ 158**	$ 103	**$ 519**	$ 378
Carried interests, net	**-**	-	**-**	-	**32**	3
	328	323	**158**	103	**551**	381
Invested capital / Operating FFO						
Listed						
Brookfield Property Partners	**14,888**	13,681	**156**	123	**534**	499
Brookfield Renewable Energy Partners	**3,405**	3,806	**55**	73	**272**	359
Brookfield Infrastructure Partners	**1,585**	1,390	**55**	48	**217**	194
Other listed	**2,744**	2,828	**43**	45	**165**	192
	22,622	21,705	**309**	289	**1,188**	1,244
Unlisted	**5,687**	5,398	**178**	120	**318**	331
Disposition gains	**-**	-	**421**	115	**842**	569
	28,309	27,103	**908**	524	**2,348**	2,144
Capitalization						
Borrowings[1]	**(3,936)**	(4,075)	**(56)**	(58)	**(224)**	(232)
Net working capital/operating costs	**606**	351	**(29)**	(34)	**(116)**	(133)
Preferred shares[2]	**(3,739)**	(3,549)	**-**	-	**-**	-
	(7,069)	(7,273)	**(85)**	(92)	**(340)**	(365)
Common equity / FFO	**$ 21,568**	$ 20,153	**$ 981**	$ 535	**$ 2,559**	$ 2,160
Per share[3]			**$ 0.97**	$ 0.52	**$ 2.49**	$ 2.11

1. *FFO in 2014 includes $nil and $2 million of capital securities distributions on a three month and full year basis, respectively*
2. *FFO excludes $34 million (2014 – $37 million) of preferred share distributions for the three months and $134 million (2014 – $154 million) for the full year, which are included in determining per share results*
3. *See slide 31 for per share information*

~80% of our invested capital is held in listed securities, which provides enhanced transparency for investors, and financial flexibility and liquidity for Brookfield. The formation and partial spin-off to shareholders of BBP will increase our listed securities to over 85%

AS AT AND FOR THE PERIODS ENDED DEC. 31, 2015 (MILLIONS)	Platform	No. of Units	Invested Capital Quoted[1]	Invested Capital IFRS	FFO[2] Three Months	FFO[2] Full Year	Distributed Cash Flow (Annualized)[3]
Listed partnerships							
Brookfield Property Partners	Property	483	$ 11,220	$ 14,888	$ 156	$ 534	$ 541
Brookfield Renewable Energy Partners	Renewable energy	172	4,512	3,405	55	272	307
Brookfield Infrastructure Partners	Infrastructure	68	2,581	1,585	55	217	155
Other listed investments							
BPY preferred shares	Property	n/a	1,275	1,275	19	76	76
Norbord[4]	Private equity & other	35	680	224	17	21	11
Acadian Timber	Infrastructure	8	109	77	2	8	6
Financial assets[5]	Corporate	Various	1,018	1,018	(6)	30	81[6]
Other listed	Private equity	Various	302	150	11	30	21
			$ 21,697	22,622	309	1,188	$ 1,198
Unlisted							
Industrial investments[7]	Private equity & other			746	25	91	
Service activities	Private equity & other			980	40	151	
Residential development	Private equity & other			2,221	115	135	
Other directly held assets	Property, Infrastructure & Private equity			721	15	5	
Energy marketing	Renewable energy			1,019	(17)	(64)	
				5,687	178	318	
				$ 28,309	$ 487	$ 1,506	

1. *Quoted value based on December 31, 2015 public pricing*
2. *Excludes realized disposition gains*
3. *Annualized distributed cash flow is based on current distribution policies*
4. *Includes Ainsworth Lumber Co. Ltd for the full year 2015 and 2014*
5. *Includes $537 million of cash and $481 million of financial assets, net of deposits*
6. *Estimated 8% annualized cash total return*
7. *Market value estimated of $930 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 10 years, with only 6% of term debentures maturing in 2016

AS AT AND FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	Average Yield	Invested Capital		Funds from Operations			
				Three Months		Full Year	
		2015	2014	**2015**	2014	**2015**	2014
Corporate borrowings[1]	**5.0%**	**$ 3,936**	$ 4,075	**$ 56**	$ 58	**$ 224**	$ 232
Preferred shares[2]	**4.3%**	**3,739**	3,549	**-**	-	**-**	-
Net working capital	**n/a**	**122**	216	**-**	-	**-**	-
Deferred income tax asset, net	**n/a**	**(728)**	(567)	**-**	-	**-**	-
Corporate costs and taxes	**n/a**	**-**	-	**29**	34	**116**	133
		$ 7,069	$ 7,273	**$ 85**	$ 92	**$ 340**	$ 365

1. *FFO in 2014 includes $nil and $2 million of capital securities distributions on a three month and full year basis, respectively*
2. *FFO excludes preferred shares distributions of $34 million (2014 – $37 million) for the three months; and $134 million (2014 – $154 million) for the last twelve months*

Corporate Maturity Profile

AS AT DEC. 31, 2015 (MILLIONS)	Average Terms (Years)	Total	Maturity				
			2016	2017	2018	2019	2020+
Corporate borrowings							
Term debt	**8**	**$ 3,780**	$ 217	$ 419	$ -	$ 435	$ 2,709
Revolving facilities[1]	**5**	**156**	-	-	-	-	156
		3,936	217	419	-	435	2,865
Preferred shares	**perp.**	**3,739**	-	-	-	-	n/a
		$ 7,675	$ 217	$ 419	$ -	$ 435	$ 2,865

1. *Revolving credit facilities of $1.9 billion to support commercial paper issuances (20 bps spread) or bankers acceptances/LIBOR loans (100 bps spread)*

Core and Total Liquidity

Core liquidity and uncalled fund commitments totalled $14.9 billion at December 31, 2015.

AS AT DEC.31 (MILLIONS)	Corporate	Property	Renewable Energy	Infrastructure	Private Equity and Other	**Total 2015**	Dec. 2014
Cash and financial assets, net	$ 1,018	$ 79	$ 63	$ 286	$ -	**$ 1,446**	$ 3,237
Undrawn committed credit facilities	1,673	174	974	1,385	-	**4,206**	3,679
Core liquidity	2,691	253	1,037	1,671	-	**5,652**	6,916
Uncalled private fund commitments[1]	-	4,623	200	2,449	1,993	**9,265**	6,947
Total liquidity	$ 2,691	$ 4,876	$ 1,237	$ 4,120	$ 1,993	**$ 14,917**	$ 13,863

1. *Third-party private fund uncalled commitments*

- Corporate facilities totalled $1.9 billion, of which $156 million was utilized for short-term bank or commercial paper borrowings and $101 million for letters of credit.
- Total liquidity of $14.9 billion at December 31, 2015, includes core liquidity of $5.6 billion and third-party uncalled commitments of $9.3 billion.
  – Uncalled private fund commitments include $1.7 billion committed to investments.

Uncalled Fund Commitments – Expiry of Investment Period

AS AT DEC.31 (MILLIONS)	2016	2017	2018	2019	2020+	**Total 2015**	Dec. 2014
Property	$ 795	$ 1,323	$ -	$ 2,461	$ 44	**$ 4,623**	$ 2,842
Infrastructure and renewable energy	922	1,252	-	61	414	**2,649**	3,444
Private equity	209	181	-	1,603	-	**1,993**	661
	$ 1,926	$ 2,756	$ -	$ 4,125	$ 458	**$ 9,265**	$ 6,947

- Uncalled commitments have a weighted average maturity of approximately three years.
- We invested $1.7 billion of third-party capital during the fourth quarter; $7.0 billion during 2015.

Brookfield

Additional Information

We hold a 62% fully diluted interest in Brookfield Property Partners, which owns virtually all of our global property operations

Financial Position and Performance

AS AT AND FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	Invested Capital		Funds from Operations – Three Months		Funds from Operations – Full Year	
	2015	2014	**2015**	2014	**2015**	2014
Investment in Brookfield Property Partners						
LP Units	**$ 14,888**	$ 13,681	**$ 156**	$ 123	**$ 534**	$ 499
Preferred shares	**1,275**	1,275	**19**	19	**76**	76
	16,163	14,956	**175**	142	**610**	575
Unlisted assets, net[1]	**102**	(79)	**5**	2	**(8)**	(21)
	16,265	14,877	**180**	144	**602**	554
Realized disposition gains	**-**	-	**386**	115	**785**	330
	$ 16,265	$ 14,877	**$ 566**	$ 259	**$ 1,387**	$ 884

1. *Consists of $621 million (2014 – $462 million) of property assets less $519 million (2014 – $541 million) of associated borrowings and legacy preferred share obligations*

Operating Profile

- We manage a global portfolio of premier properties with over 400 million square feet (“msf”) focused on:
  - **Office:** 261 properties, 123 msf and a 31 msf development pipeline.
  - **Retail:** 173 high quality regional malls and urban retail properties containing 155 msf predominately based in the U.S. and select markets in Brazil with average sales of $546 per square foot (“psf”).
  - **Other opportunistic:** 55 msf of industrial space, 45 msf of future industrial development, over 38,800 multifamily units, 27 hotels with approximately 18,000 rooms, and over 300 properties that are leased to automotive dealerships in North America under triple net lease arrangements.

Financial Performance

- The increase in BPY’s FFO was due primarily to acquisitions, notably an increased interest in Canary Wharf, a UK resort operator and a portfolio of multifamily units in the U.S. Our office and retail operations had positive same-store growth due to new leases in our New York office portfolio and overall rising lease rates. These positive increases were partly offset by foreign exchange rates and increased interest expense on preferred shares issued to acquire Canary Wharf.
- Directly held assets contributed $22 million of FFO prior to $30 million of interest expense.
- During 2015, we disposed of or sold interests in 98 properties, including office buildings in Boston, Washington D.C., Melbourne and London, recognizing $186 million of disposition gains, and interests in a mixed-use development in Manhattan and a marquee mall in Honolulu, resulting in gains of $203 million and $172 million, respectively.

Financial Position and Performance – BPY

AS AT AND FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	Invested Capital		Funds from Operations – Three Months		Funds from Operations – Full Year	
	2015	2014	**2015**	2014	**2015**	2014
Office	**$ 18,189**	$ 16,003	**$ 194**	$ 150	**$ 720**	$ 539
Retail	**9,365**	9,171	**147**	137	**499**	472
Other opportunistic	**2,847**	1,590	**39**	13	**160**	77
Corporate	**(8,443)**	(6,556)	**(138)**	(110)	**(540)**	(349)
Attributable to unitholders	**21,958**	20,208	**242**	190	**839**	739
Non-controlling interest	**(7,070)**	(6,527)	**(78)**	(61)	**(271)**	(205)
Segment reallocation[1]	**-**	-	**(8)**	(6)	**(34)**	(35)
Brookfield's interest	**$ 14,888**	$ 13,681	**$ 156**	$ 123	**$ 534**	$ 499

1. *Reflects fee related earnings and net carried interest reclassified to asset management segment*

- **Office:** FFO increased by 34% to $720 million primarily due to the increased ownership in Canary Wharf, and positive same-store growth, particularly in lower Manhattan, where we started to recognize rent on leases signed at Brookfield Place New York, offset by disposition activity and the impact of foreign exchange.
  - Average in-place core office rent is $32.48 psf, representing a discount of 30% to market rent, and has an average term of eight years.
  - We executed 6.1 msf of leases during the year at average net rents of $32.16 psf, 37% higher than expiring rents, while occupancy in our core portfolio remained consistent at 92.2%; initial rents in our redevelopment portfolio have started to contribute to FFO and we expect the leasing and delivery of future projects should provide 15% to 20% growth per year in FFO over the next two years.
- **Retail:** FFO of $499 million compared to $472 million in the prior year as interest expense savings and same-store growth in the current quarter were partially offset by the impact of foreign exchange.
  - Average in-place retail rent of $55.07 psf with a six-year average term to maturity, up from $53.89 (constant currency) psf at December 31, 2014. Over 3,900 signed leases commencing in 2015 and 2016 comprising over 4.4 msf.
  - Initial and average rent spreads for executed leases commencing in 2015 and 2016 on a suite-to-suite basis increased by 11.5% and 22.9%, respectively, compared to the rental rate for expiring leases.
- **Other opportunistic:** FFO increased from the contribution of capital deployed over the past twelve months, in our multifamily, hospitality and triple net lease sectors.
- **Corporate:** The increase in corporate charges is primarily a result of interest costs on financings to fund growth initiatives including $117 million of interest on the preferred units issued late in the fourth quarter of 2014, in addition to increased fees on BPY's larger capital base, and additional costs reflecting an increase in the level of activity.

We hold a 63% interest in Brookfield Renewable Energy Partners (“BREP”), which owns all of our renewable energy facilities. We also conduct energy marketing initiatives through Brookfield Energy Marketing (“BEMI”)

Financial Position and Performance

AS AT AND FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	Invested Capital		Funds from Operations – Three Months		Funds from Operations – Full Year	
	2015	2014	**2015**	2014	**2015**	2014
Investment in BREP LP units	**$ 3,405**	$ 3,806	**$ 55**	$ 73	**$ 272**	$ 359
Brookfield Energy Marketing	**1,019**	1,076	**(17)**	(35)	**(64)**	(46)
	4,424	4,882	**38**	38	**208**	313
Realized disposition gains	**-**	-	**-**	-	**25**	-
	$ 4,424	$ 4,882	**$ 38**	$ 38	**$ 233**	$ 313

Operating Profile

- We own and operate 249 generating facilities that provide 7,300 MW of generating capacity.
  - Global operations situated in the U.S., Canada, Brazil and Europe.
  - 81% hydroelectric generation, situated on 73 river systems.
- In January 2016, we acquired a 58% interest in Colombia’s third largest power generation company with 3,032 MW of predominantly hydroelectric capacity and average annual generation of 15,000 GWh. We have commenced a tender offer for the remaining shares of the company.
- Our energy marketing operations acquire approximately 8,400 GWh annually from BREP at a price of $66 per MWh, of which it has contractually sold 3,200 GWh at an average price of $65 per MWh and sells the balance at prevailing market prices.

Financial Performance

- BREP contributed $272 million of FFO, below the prior year’s $359 million. Positive contributions from recently acquired facilities were offset by lower hydrology conditions across the eastern U.S. and Canada experienced in our existing portfolio. Overall generation was 9% below long-term averages and 3% below 2014 on a proportionate basis.
- Our energy marketing operations’ FFO deficit increased by $18 million due to reduced pricing for electricity, mostly as a result of the exceptional pricing in the first quarter of 2014.
- During the third quarter we disposed of a 102 MW wind portfolio in California and two hydroelectric facilities in Brazil, generating $25 million of disposition gains.

Financial Position and Performance – BREP

AS AT AND FOR THE PERIODS ENDED DEC. 31 (GIGAWATT HOURS AND $MILLIONS)	Invested Capital		Funds from Operations – Three Months		Funds from Operations – Full Year	
	2015	2014	**2015**	2014	**2015**	2014
Generation (GWh)						
Total generation (Actual)	**n/a**	n/a	**6,117**	5,839	**23,332**	22,548
Total long-term average (LTA)	**n/a**	n/a	**6,369**	5,770	**25,542**	23,296
Proportionate generation (Actual)	**n/a**	n/a	**4,553**	4,699	**17,662**	18,173
Hydroelectric generation	**$ 6,916**	$ 7,596	**$ 99**	$ 147	**$ 526**	$ 688
Wind energy	**668**	655	**32**	30	**113**	105
Facilities under development	**209**	215	**-**	-	**-**	-
Corporate/unallocated	**(2,350)**	(2,375)	**(43)**	(61)	**(172)**	(233)
Attributable to unitholders	**5,443**	6,091	**88**	116	**467**	560
Non-controlling interest	**(2,038)**	(2,285)	**(33)**	(43)	**(177)**	(201)
Reallocation - disposition gains	**-**	-	**-**	-	**(18)**	-
Brookfield's interest	**$ 3,405**	$ 3,806	**$ 55**	$ 73	**$ 272**	$ 359

- Total generation was 23,332 GWh for the year, 9% below the long-term average and an increase of 784 GWh compared to the prior year. Newly acquired facilities generated 1,637 GWh; however, these assets are typically acquired in partially owned funds and accordingly BREP has a reduced proportionate ownership interest in the associated FFO. BREP's proportionate generation decreased by 511 GWh compared to 2014.

- **Hydroelectric generation** was 18,629 GWh, below long-term average of 20,564 GWh and decreased compared to the prior year. Generation from existing facilities was 17,551 GWh, which is below prior year generation levels. While hydrological conditions were below the long-term average across North America, particularly in the first two quarters of 2015, inflows improved in the fourth quarter of 2015 and were used to replenish reservoirs which has positioned us to capture stronger winter pricing. Hydrology continued to improve in the fourth quarter of 2015 in Latin America.

- **Wind generation** was 3,962 GWh, below the long-term average of 4,399 GWh and an increase of 859 GWh compared to the prior year. Our North American wind portfolio generated 1,952 GWh, below the long-term average of 2,464 GWh, primarily due to lower wind conditions across the portfolio. In Europe, the portfolio generated 1,551 GWh, in line with the long-term average, and an increase of 660 GWh compared to the prior year due to improved wind conditions and contributions from recently acquired or commissioned facilities. Contributions from our recently acquired or commissioned facilities in Europe and Latin America were 726 GWh, above the long-term average of 702 GWh. Assets disposed contributed generation on 114 GWh in the prior year.

- We estimate that our share of BREP's FFO would have been $384 million in 2015 (2014 – $382 million), if generation approximated long-term averages, on a constant currency basis.

- We have agreements to purchase approximately 8,400 GWh from BREP annually based on long-term average generation. Approximately 36% 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 are favourable based on our expectation of pricing of electricity generated by new build construction.
- The reduction in FFO and Per MWh results primarily reflect the impact of lower currency exchange rates on results in our Canadian operations.
- We expect the negative spread on uncontracted power to turn positive over the longer term as prices for renewable energy increase. Existing long-term contracts provide both a current positive FFO contribution as well as future increases through escalation clauses and the opportunity to renew contracts in the future.

Three Months

FOR THE THREE MONTHS ENDED DEC. 31 (GIGAWATT HOURS AND $MILLIONS)	Generation (GWh)		FFO		Per MWh	
	2015	2014	**2015**	2014	**2015**	2014
Revenues						
Contracted	**525**	1,027	**$ 40**	$ 81	**$ 76**	$ 79
Uncontracted and financial contracts	**1,166**	1,307	**60**	54	**51**	41
	1,691	2,334	**100**	135	**59**	58
Less: Purchases from BREP	**(1,691)**	(2,334)	**(117)**	(170)	**(68)**	(73)
FFO	**-**	-	**$ (17)**	$ (35)	**$ (9)**	$ (15)

- FFO deficit improved to $17 million due to lower volumes of uncontracted power purchased from BREP.

Full Year

FOR THE YEARS ENDED DEC. 31 (GIGAWATT HOURS AND $MILLIONS)	Generation (GWh)		FFO		Per MWh	
	2015	2014	**2015**	2014	**2015**	2014
Revenues						
Contracted	**2,667**	3,268	**$ 208**	$ 262	**$ 78**	$ 80
Uncontracted and financial contracts	**4,801**	5,623	**238**	339	**50**	60
	7,468	8,891	**446**	601	**59**	68
Less: Purchases from BREP	**(7,468)**	(8,891)	**(510)**	(647)	**(67)**	(73)
FFO	**-**	-	**$ (64)**	$ (46)	**$ (8)**	$ (5)

- The average realized prices per MWh for uncontracted power was $50/MWh, $10/MWh less than the prior year, primarily due to exceptional pricing in the first quarter of 2014.
- Ancillary revenues including capacity payments, green credits and revenues generated for the peaking ability of our plants totalled $91 million, increasing average realized prices by $12/MWh.

We hold a 30% interest in Brookfield Infrastructure Partners, which owns the majority of our infrastructure operations

Financial Position and Performance

AS AT AND FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	Invested Capital		Funds from Operations: Three Months		Funds from Operations: Full Year	
	2015	2014	**2015**	2014	**2015**	2014
Investment in BIP LP units	**$ 1,585**	$ 1,390	**$ 55**	$ 48	**$ 217**	$ 194
Acadian Timber Corp.	**77**	86	**2**	2	**8**	7
Sustainable resources	**541**	621	**6**	5	**20**	21
	2,203	2,097	**63**	55	**245**	222
Realized disposition gains	**-**	-	**-**	-	**7**	-
	$ 2,203	$ 2,097	**$ 63**	$ 55	**$ 252**	$ 222

Operating Profile

- We own high quality, long-life assets:
  - Utilities: Networks in North and South America, Europe and Australia, including 11,100 km of transmission lines and 2.6 million electricity and gas connections.
  - Transport: 33 ports, 3,500 km of toll roads and 9,900 km of rail operations.
  - Energy: 14,800 km of transmission pipelines, over 40,000 gas distribution customers in the UK, 600 billion cubic feet of natural gas storage capacity in the U.S. and Canada, heating plants capable of delivering 2.9 million pounds per hour of steam heating capacity and 255,000 tons of cooling capacity.
  - Communication: Approximately 7,000 multi-purpose towers and active rooftop sites and 5,000 km of fibre backbone in France.

Financial Performance

- BIP contributed $217 million of FFO, a 12% increase from the prior year's $194 million.
  - The increase reflects the contribution from our newly acquired communications infrastructure investment, in addition to internally generated growth across the business, which more than offset the impact of foreign currency variation on our non-U.S. dollar operations.
    - Operational performance was strong, benefitting from an increased utilities rate base, inflation indexation and higher volumes.
    - Same-store FFO growth was 12% on a constant currency basis.
  - We recorded a $7 million gain on the sale of an electricity transmission system in northeastern U.S.

Financial Position and Performance – BIP

AS AT AND FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	Invested Capital		Funds from Operations – Three Months		Funds from Operations – Full Year	
	2015	2014	**2015**	2014	**2015**	2014
Utilities	**$ 2,002**	$ 1,962	**$ 100**	$ 93	**$ 387**	$ 367
Transport	**3,220**	2,457	**95**	101	**398**	392
Energy	**1,009**	786	**20**	16	**90**	68
Communications	**438**	-	**20**	-	**60**	-
Corporate and other	**(1,290)**	(327)	**(31)**	(30)	**(127)**	(103)
Attributable to unitholders	**5,379**	4,878	**204**	180	**808**	724
Non-controlling interest	**(3,794)**	(3,488)	**(149)**	(132)	**(591)**	(530)
Brookfield's interest	**$ 1,585**	$ 1,390	**$ 55**	$ 48	**$ 217**	$ 194

- **Utilities:** FFO increased by $20 million to $387 million due to record activity at our UK regulated distribution business, incremental earnings on growth capital commissioned into our rate base and inflation indexation.
  - We have $576 million of total capital to be commissioned into our rate base, including our capital backlog of $452 million.
- **Transport:** FFO at $398 million was relatively consistent with the prior year. FFO benefitted from tariff growth across the majority of our operations, higher volumes at our rail logistics business in Brazil and cost savings at our Australian rail operations. These positive results were partially offset by the impact of foreign exchange.
  - Capital to be commissioned of $577 million at December 31, 2015 consists of expansion and upgrades to our rail business and projects to add additional capacity to our toll roads and ports.
- **Energy:** FFO increased by $22 million to $90 million due to organic growth initiatives and tuck-in acquisitions made over the last 12 months in our district energy business, and higher volumes and an increased ownership in our North American natural gas transmission business.
- **Communication:** FFO totalled $60 million, representing the third quarter of contribution from this investment since acquisition, slightly ahead of underwriting.
- **Corporate & other:** FFO decreased by $24 million to a net expense of $127 million primarily due to higher base management fees from increased market capitalization and increased interest expense from additional debt which funded new investments made in the current year.

Summarized Results

We announced the formation and partial spin-off of Brookfield Business Partners (BBP), which will become our flagship listed issuer for owning long-term industrial and business services investments

Financial Position and Performance

AS AT AND FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	Invested Capital		Funds from Operations – Three Months		Funds from Operations – Full Year	
	2015	2014	**2015**	2014	**2015**	2014
Industrial operations	**$ 746**	$ 332	**$ 25**	$ 16	**$ 91**	$ 60
Service activities	**980**	1,242	**40**	60	**151**	152
	1,726	1,574	**65**	76	**242**	212
Norbord [1]	**224**	257	**17**	-	**21**	22
Other investments	**228**	439	**15**	11	**23**	48
	2,178	2,270	**97**	87	**286**	282
Realized disposition gains	**-**	-	**35**	-	**25**	239
	$ 2,178	$ 2,270	**$ 132**	$ 87	**$ 311**	$ 521

1. *Includes invested capital and FFO from Ainsworth Lumber Co. Ltd. in 2015 and 2014*

Operational Highlights

- We plan to establish a listed company called **Brookfield Business Partners L.P. (BBP)** by distributing a 30% interest through a special dividend to shareholders of approximately $500 million, or $0.50 per common share. BBP will be the primary entity through which we hold the capital invested by us in our permanent and longer term industrial and service activities operations. We anticipate listing BBP in the first half of 2016.
- Our direct investments primarily include a 41% interest in Norbord Inc. (TSX: NBD) and other investments.

Financial Highlights

- **Industrial operations:** FFO increased by $31 million to $91 million as a result of FFO generated from recent acquisitions of $41 million, partially offset by reduced commodity prices decreasing our energy sector investee companies FFO.
- **Service activities:** FFO decreased by $1 million as higher activity levels in our construction business were offset by reduced margins and negative currency variations.
- **Realized disposition gains:** Include the partial sale of a facilities management business and a break fee on prepaying debt at an investee company. 2014 gains reflect the sale of a forest products business.

We hold a direct interest in our residential development operations, which are focused on land development and housing sales in North America and condominium projects in Brazil

Financial Position and Performance

AS AT AND FOR THE PERIODS ENDED DEC.31 (MILLIONS)	Invested Capital		Funds from Operations – Three Months		Funds from Operations – Full Year	
	2015	2014	**2015**	2014	**2015**	2014
North America	**$ 1,318**	$ 1,135	**$ 99**	$ 93	**$ 171**	$ 183
Brazil and other	**903**	945	**16**	(26)	**(36)**	(19)
	$ 2,221	$ 2,080	**$ 115**	$ 67	**$ 135**	$ 164

Operating Profile

- Our wholly owned North American land development and home building operations are held through Brookfield Residential
  - Active developments and long-term development positions in high-growth markets such as California, Texas, Colorado, Alberta and Ontario.
  - 68 active housing communities with 1,340 units or $573 million.
  - 31 active land communities.
- Our operations in Brazil are held through Brookfield Incorporações which develops and builds condominium projects in key markets in Brazil including Rio de Janeiro and São Paulo.

Financial Performance

- Our North American operations FFO decreased by 7% to $171 million due primarily to reduced margins caused by a change in product mix in our U.S. operations and the impact of foreign currency translation on our Canadian operations offsetting our increased ownership in this business. We continue to benefit from an increase in housing and lot sales, which increased by 21% and 31%, respectively since 2014.
- In our Brazilian operations, FFO declined due to an overall softening of the real estate industry and consumer demand as well as the timing of deliveries, partially offset by lower costs on the reduction of debt.

Three Months

FOR THE THREE MONTHS ENDED DEC. 31, 2015 (MILLIONS)	Operating Segment	FFO	IFRS Recognition[1]			
			Net Income[2]	Equity[3]	Prior Periods[4]	**Total**
Office properties and other	Property	$ 386	$ 307	$ -	$ 79	**$ 386**
Property service assets	Service activities	40	-	-	40	**40**
Construction service assets	Service activities	(5)	(5)	-	-	**(5)**
		$ 421	$ 302	$ -	$ 119	**$ 421**

Full Year

FOR THE YEAR ENDED DEC. 31, 2015 (MILLIONS)	Operating Segment	FFO	IFRS Recognition[1]			
			Net Income[2]	Equity[3]	Prior Periods[4]	**Total**
U.S. retail properties	Property	$ 206	$ -	$ -	$ 206	**$ 206**
Office properties and other	Property	579	298	-	281	**579**
Wind assets	Renewable energy	25	18	-	7	**25**
Utility assets	Infrastructure	7	4	-	3	**7**
Other	Various	25	(15)	-	40	**25**
		$ 842	$ 305	$ -	$ 537	**$ 842**

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*

Capitalization

AS AT DEC. 31 (MILLIONS)	Corporate		Proportionate		Consolidated	
	2015	2014	**2015[1]**	2014[1]	**2015[2]**	2014[2]
Corporate borrowings	**$ 3,936**	$ 4,075	**$ 3,936**	$ 4,075	**$ 3,936**	$ 4,075
Non-recourse borrowings						
Property-specific mortgages	**-**	-	**26,730**	23,555	**46,474**	41,674
Subsidiary borrowings	**-**	-	**5,303**	5,174	**8,303**	8,329
	3,936	4,075	**35,969**	32,804	**58,713**	54,078
Accounts payable and other	**1,726**	1,158	**7,537**	6,945	**11,433**	10,474
Deferred tax liabilities	**155**	50	**4,904**	4,781	**8,810**	8,140
Subsidiary equity obligations	**-**	-	**1,895**	2,149	**3,331**	3,541
Equity						
Non-controlling interests	**-**	-	**-**	-	**31,920**	29,545
Preferred equity	**3,739**	3,549	**3,739**	3,549	**3,739**	3,549
Common equity	**21,568**	20,153	**21,568**	20,153	**21,568**	20,153
	25,307	23,702	**25,307**	23,702	**57,227**	53,247
Total capitalization	**$ 31,124**	$ 28,985	**$ 75,612**	$ 70,381	**$ 139,514**	$ 129,480
Debt to capitalization[3]	**13%**	14%	**48%**	47%	**42%**	42%

1. *Includes liabilities associated with assets held for sale on a proportionate basis. Debt-to-capitalization excluding these liabilities is 47% for 2015 and 46% for 2014*
2. *Includes liabilities associated with assets held for sale on a consolidated basis. Debt-to-capitalization excluding these liabilities is 42% for 2015 and 41% for 2014*
3. *Determined as the aggregate of corporate borrowings and non-recourse borrowings divided by total capitalization*

- Capitalization includes accounts payable and other liabilities and deferred income taxes, as well as borrowings, subsidiary equity obligations, and equity, which is consistent with how we assess our leverage ratios and how we present them to our rating agencies.
  - Corporate capitalization shows debt on a deconsolidated basis, consistent with how we present our capitalization for our rating agencies.
  - Proportionate consolidation, which reflects our proportionate interest in the underlying entities, depicts the extent to which our underlying assets are leveraged, which we believe is an important component of enhancing shareholder returns.
  - Consolidated capitalization reflects the full consolidation of wholly owned and partially owned entities; however, excludes amounts within equity accounted investments.

FINANCIAL PERFORMANCE (IFRS) – Full Years Ended December 31

Condensed Statements of Operations

FOR THE YEARS ENDED DEC. 31 (MILLIONS, EXCEPT PER SHARE AMOUNTS)	2015	2014	Change
Revenue	**$ 19,913**	$ 18,364	$ 1,549
Direct costs	**(14,433)**	(13,118)	(1,315)
	5,480	5,246	234
Other income and gains	**145**	190	(45)
Equity accounted income	**1,695**	1,594	101
Expenses			
Interest	**(2,820)**	(2,579)	(241)
Corporate costs	**(106)**	(123)	17
Fair value changes	**2,166**	3,674	(1,508)
Depreciation and amortization	**(1,695)**	(1,470)	(225)
Income tax	**(196)**	(1,323)	1,127
Net income	**4,669**	5,209	(540)
Non-controlling interests	**(2,328)**	(2,099)	(229)
Net Income attributable to shareholders	**$ 2,341**	$ 3,110	$ (769)
Per share	**$ 2.26**	$ 3.11	$ (0.85)

Financial Highlights

- **Revenue** less **direct costs** increased by $234 million, or 4% in aggregate, primarily due to revenues generated by recently acquired and developed assets, along with higher lease rates and occupancy levels in our commercial properties. These increases were partially offset by the impact of lower exchange rates on non-U.S. dollar denominated revenues and costs and the elimination of revenues and costs associated with assets sold.
- We recorded $2.2 billion of **fair value changes**, compared to $3.7 billion in 2014, primarily due to a lower level of appraisal gains recorded on consolidated investment properties in the current period compared to the higher level of valuation gains in 2014.
- Our provision for **income taxes** includes a $464 million recovery of deferred taxes due to a change in the ownership structure of some of our commercial properties and also reflects a reduction in the level of fair value changes
- **Net income attributable to shareholders** increased due to lower fair value gains attributable to the company, primarily on our investment properties, partially offset by the aforementioned deferred tax reduction.

Common Share Continuity

FOR THE PERIODS ENDED DEC. 31 (MILLIONS)	Three Months 2015	Three Months 2014[1]	Full Year 2015	Full Year 2014[1]
Outstanding at beginning of period	**957.1**	926.8	**928.2**	923.2
Issuances	**-**	-	**32.9**	-
Repurchases	**(2.5)**	(0.3)	**(11.5)**	(2.2)
Long-term share ownership plans	**6.6**	1.6	**11.4**	6.9
Dividend reinvestment plan	**0.1**	0.1	**0.3**	0.3
Outstanding at end of period	**961.3**	928.2	**961.3**	928.2
Unexercised options	**42.0**	55.0	**42.0**	55.0
Total diluted shares at end of period	**1,003.3**	983.2	**1,003.3**	983.2

1. *Adjusted for the three-for-two stock split effective May 12, 2015*

- The company holds 26.3 million common shares for management share ownership plans, which have been deducted from the total number of shares outstanding.
  - 3.7 million of these shares are included in diluted shares outstanding for a net reduction of 22.6 million.
- Cash value of unexercised options at December 31, 2015 was $828 million (December 31, 2014 – $906 million).
- During the fourth quarter of 2015, 10.1 million options were exercised on a net-settled basis, resulting in the issuance of 4.6 million Class A shares and the cancellation of 5.5 million vested options.

FFO and Earnings Per Share Information

FOR THE PERIODS ENDED DEC.31 (MILLIONS)	Three Months – Funds from Operations 2015	Three Months – Funds from Operations 2014[1]	Three Months – Net Income 2015	Three Months – Net Income 2014[1]	Full Year – Funds from Operations 2015	Full Year – Funds from Operations 2014[1]	Full Year – Net Income 2015	Full Year – Net Income 2014[1]
FFO/Net income	**$ 981**	$ 535	**$ 678**	$ 1,050	**$ 2,559**	$ 2,160	**$ 2,341**	$ 3,110
Preferred share dividends	**(34)**	(37)	**(34)**	(37)	**(134)**	(154)	**(134)**	(154)
	947	498	**644**	1,013	**2,425**	2,006	**2,207**	2,956
Capital securities dividends	**-**	-	**-**	-	**-**	-	**-**	2
FFO/Net income available for shareholders	**$ 947**	$ 498	**$ 644**	$ 1,013	**$ 2,425**	$ 2,006	**$ 2,207**	$ 2,958
Weighted average shares	**959.1**	927.3	**959.1**	927.3	**949.7**	924.9	**949.7**	924.9
Dilutive effect of the conversion of options using treasury stock method	**22.1**	26.6	**22.1**	26.6	**26.0**	23.6	**26.0**	23.6
Dilutive effect of the conversion of subsidiary equity obligations	**-**	-	**-**	-	**-**	-	**-**	1.9
Shares and share equivalents	**981.2**	953.9	**981.2**	953.9	**975.7**	948.5	**975.7**	950.4

1. *Adjusted for the three-for-two stock split effective May 12, 2015*

RECONCILIATION OF NET INCOME TO FFO

December 31, 2015

FOR THE YEAR ENDED (MILLIONS)	IFRS	Reconciling Items: Eliminate Non-FFO Items	Intersegment Adjustments	Realized Disposition Gains	FFO
Revenues	$ 19,913	$ -	$ 784	$ -	**$ 20,697**
Direct costs	(14,433)	-	316	-	**(14,117)**
Other income and gains	145	-	-	-	**145**
Equity accounted income	1,695	(262)	-	-	**1,433**
Expenses					
Interest	(2,820)	-	(28)	-	**(2,848)**
Corporate costs	(106)	-	(1,072)	-	**(1,178)**
Realized disposition gains	-	-	-	537	**537**
Fair value changes	2,166	(1,856)	-	-	**310**
Depreciation and amortization	(1,695)	1,695	-	-	**-**
Income tax	(196)	64	-	-	**(132)**
Net income	4,669				
Non-controlling interests	(2,328)	40	-	-	**(2,288)**
Net income / FFO attributable to shareholders	**$ 2,341**	**$ (319)**	**$ -**	**$ 537**	**$ 2,559**

December 31, 2014

FOR THE YEAR ENDED (MILLIONS)	IFRS	Reconciling Items: Eliminate Non-FFO Items	Intersegment Adjustments	Realized Disposition Gains	FFO
Revenues	$ 18,364	$ -	$ 558	$ -	**$ 18,922**
Direct costs	(13,118)	-	254	-	**(12,864)**
Other income and gains	190	-	-	-	**190**
Equity accounted income	1,594	(435)	-	-	**1,159**
Expenses					
Interest	(2,579)	-	(2)	-	**(2,581)**
Corporate costs	(123)	-	(810)	-	**(933)**
Realized disposition gains	-	-	-	477	**477**
Fair value changes	3,674	(3,674)	-	-	**-**
Depreciation and amortization	(1,470)	1,470	-	-	**-**
Income tax	(1,323)	1,209	-	-	**(114)**
Net income	5,209				
Non-controlling interests	(2,099)	3	-	-	**(2,096)**
Net income / FFO attributable to shareholders	**$ 3,110**	**$ (1,427)**	**$ -**	**$ 477**	**$ 2,160**

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 33 through 35 of our December 31, 2014 annual report.

- **Funds from Operations (FFO)** is our key measure of financial performance. FFO is defined as net income attributable to shareholders prior to fair value changes, 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 on a fully diluted basis. 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, the components of FFO described below, 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.

  - **Operating Activities** represents the company's share of revenues less operating costs and interest expenses; excludes carried interest disposition gains, fair value changes, depreciation and amortization 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 Carried Interest** represents our contractual share of investments gains generated within a private fund after considering our clients minimum return requirements. Realized carried interest is determined on third-party capital that is no longer subject to future investment performance.
  - **Realized Disposition Gains** are included in FFO 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.

- **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.

- **Fee Bearing Capital** represents the capital committed, pledged or invested in our listed partnerships, private funds, and public markets 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 when reconciling period amounts we utilize the following definitions:
  - **Inflows** include contributions and capital raised.
  - **Outflows** represent redemptions, expiry of uncalled commitments and client withdrawals.
  - **Distributions** represent quarterly distributions from listed partnerships and distributions of capital to fund partners.
  - **Market activity** includes gains (losses) on portfolio investments.
- **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** are comprised of fee revenues, less direct costs (other than carried interests' associated costs).
- **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 markets activities. Performance fees are typically determined on an annual basis and are not subject to "clawback" in future years.
- **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.