Q1 2016

Supplemental Information

Three Months Ended March 31, 2016

Brookfield

Brookfield Asset Management Inc. A Global Alternative Asset Management Company Focused on Property, Renewable Power, Infrastructure and Private Equity

FIRST QUARTER 2016 HIGHLIGHTS

- Fee bearing capital (“FBC”) increased by 5% in quarter to $104 billion; gross inflows were $3 billion in quarter, bringing gross inflows for the last twelve months (“LTM”) to $19 billion
- Raised nearly $10 billion of capital from private fund clients shortly after the quarter, increasing FBC to $114 billion
  - Completed fundraising for Brookfield Strategic Real Estate Partners II (“BSREP II”) at $9 billion of total commitments. BSREP II is more than twice the size of its predecessor fund and over 50% of its capital is already invested or committed to investments
  - Interim close with nearly $8 billion of client commitments for our follow-on flagship infrastructure private fund, in addition to $4 billion of commitments from our infrastructure and renewable power listed partnerships
- Fundraising for five private funds (our infrastructure and private equity flagship funds and three niche funds) targeting an additional $6 billion of commitments, including $5 billion from clients. We expect to finalize our infrastructure and private equity flagship fund raises in the coming months, with aggregate total commitments in excess of our targeted level
- Announced or completed acquisitions that will deploy $4 billion of capital, including Colombian hydroelectric facilities and an Australian logistics business
- Funds from operations (“FFO”) increased by 26% to $703 million or $0.69 per share. Strong capital inflows led to a 71% increase in fee related earnings to $185 million; invested capital FFO increased by 7%, benefitting from improved “same-store” earnings and the continued expansion of our operations through both new investments and internal growth initiatives. We realized $212 million of disposition gains during the quarter on the sale of property assets at excellent valuations

Contents

Funds from Operations and Net Income

FOR THE PERIODS ENDED MAR. 31 (MILLIONS, EXCEPT PER SHARE AMOUNTS)	Three Months				LTM			
	Funds from Operation[1]		Net Income[1]		Funds from Operation[1]		Net Income[1]	
	2016	2015	**2016**	2015	**2016**	2015	**2016**	2015
Operating activities								
Fee related earnings	**$ 185**	$ 108	**$ 185**	$ 108	**$ 596**	$ 401	**$ 596**	$ 401
Invested capital	**306**	285	**306**	285	**1,187**	1,196	**1,187**	1,196
	491	393	**491**	393	**1,783**	1,597	**1,783**	1,597
Realized carried interest	**-**	2	**-**	2	**30**	2	**30**	2
Realized disposition gains[2]	**212**	162	**19**	-	**892**	626	**440**	57
Fair value changes	**-**	-	**65**	639	**-**	-	**448**	2,871
Depreciation and amortization	**-**	-	**(206)**	(182)	**-**	-	**(804)**	(691)
Deferred income taxes	**-**	-	**(112)**	(123)	**-**	-	**(28)**	(538)
	$ 703	$ 557	**$ 257**	$ 729	**$ 2,705**	$ 2,225	**$ 1,869**	$ 3,298
Per share	**$ 0.69**	$ 0.55	**$ 0.23**	$ 0.73	**$ 2.64**	$ 2.18	**$ 1.77**	$ 3.31

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 periods*

- **Fee related earnings** increased by 71% to $185 million. Fee revenues grew by $90 million to $296 million; base management fees increased by $56 million due to the higher levels of fee bearing capital and we recorded a higher level of transaction fees. LTM fee related earnings increased by 49% to $596 million. Further details on slide 4.
- FFO from **invested capital** increased by 7%, benefitting from operational improvements across most of our businesses, increased water levels in our renewable power business and the continued expansion of our operations through both new investments and internal growth initiatives. These positive variances were tempered by lower power and energy prices, which directly decreased our renewable power and commodity-based businesses' FFO.
- **Realized disposition gains** include the sale of mature office properties in Vancouver and Sydney, and were $212 million in aggregate. Prior period gains include the sale of a partial investment in our marquee retail mall in Honolulu. Further details on slide 13.
- **Fair value gains** were generated on our commercial property portfolio due to continued demand and leasing activities, however, the prior period included a larger level of appraisal gains on our U.S. and Australian office portfolios.

ASSET MANAGEMENT
Summarized Results

71% increase
in Fee Related Earnings over 2015 quarter

$104 billion
Fee Bearing Capital (Net inflows of $11 billion LTM)

$1.6 billion
Annualized Fee Base and Carry (30% increase since Q1 2015)

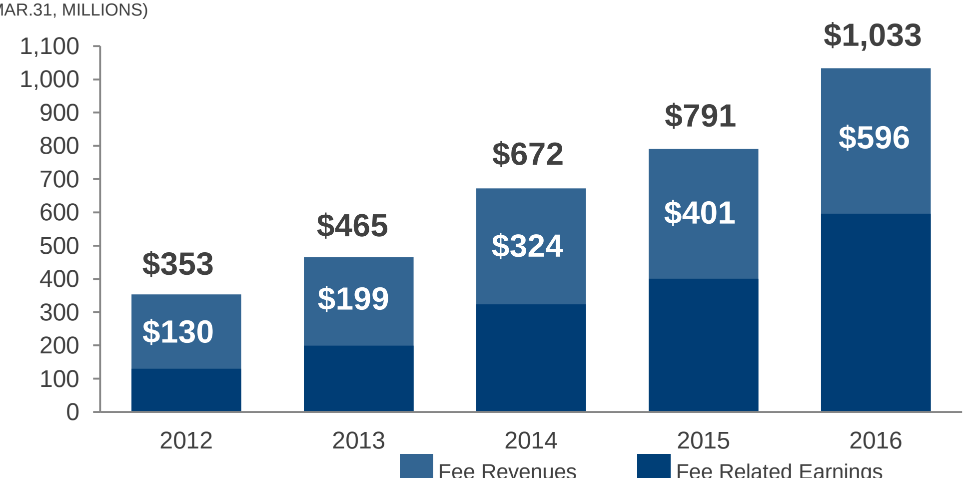
Financial Performance

FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Three Months		LTM	
	2016	2015	**2016**	2015
Fee revenues	**$ 296**	$ 206	**$ 1,033**	$ 791
Carried interest, generated[1]	**137**	52	**304**	196
	$ 433	$ 258	**$ 1,337**	$ 987
FFO				
Fee related earnings[2]	**$ 185**	$ 108	**$ 596**	$ 401
Carried interest, net[1,3]	**-**	2	**30**	2
	$ 185	$ 110	**$ 626**	$ 403

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 (LTM)[1]

(MAR.31, MILLIONS)



1. *Excludes carried interest*

Fee Bearing Capital – Profile

AS AT (MILLIONS)	Mar. 2016	Dec. 2015	Mar. 2015
Listed partnerships	**$ 45,565**	$ 43,017	$ 45,681
Private funds	**41,955**	39,151	28,384
Public markets	**16,402**	16,797	19,143
	$ 103,922	$ 98,965	$ 93,208

- Fee bearing capital includes five listed partnerships, 35 private funds and numerous funds and accounts within our public markets operations.
- Five funds in the market seeking to raise an additional $6 billion of capital, including $5 billion from clients.
- Our client base is diversified and growing.
  - Over 355 global private fund investors, 27% more than last year; average commitment is ~$95 million.
  - ~ 40% of clients invest in multiple funds.
  - Weighted average life to maturity of private funds is 8 years (10 years including extension options).
- Public markets include mutual funds and separately managed accounts with $5 billion of fixed income and $11 billion of equity securities.

Fee Related Earnings

FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Three Months			LTM		
	2016	2015	Variance	**2016**	2015	Variance
Base management fees						
Listed partnerships	**$ 98**	$ 94	$ 4	**$ 362**	$ 332	$ 30
Private funds	**123**	65	58	**398**	251	147
Public markets	**24**	27	(3)	**108**	100	8
Incentive distributions (IDRs)	**25**	17	8	**79**	54	25
Fee credits[1]	**(8)**	(5)	(3)	**(31)**	(20)	(11)
	262	198	64	**916**	717	199
Performance fees – public markets	**-**	-	-	**-**	19	(19)
Transaction and advisory fees	**34**	8	26	**117**	55	62
Fee revenues[2]	**296**	206	90	**1,033**	791	242
Direct costs						
Compensation and benefits	**(80)**	(74)	(6)	**(314)**	(286)	(28)
Other expenses	**(31)**	(24)	(7)	**(123)**	(104)	(19)
Fee related earnings[2]	**$ 185**	$ 108	$ 77	**$ 596**	$ 401	$ 195

1. *Base fees are eliminated on capital invested by listed partnerships into private funds managed by Brookfield*
2. *Includes $15 million of fee revenues generated by BPY ($61 million on a LTM basis) and $8 million of fee related earnings ($31 million of fee related earnings LTM)*

First Quarter:

- Private fund base fees nearly doubled to $123 million, including $23 million of catch-up fees (earned on commitments received in subsequent quarters after the initial close of a fund, where base fees accrue from the initial close). The increase reflects strong client demand for several new funds in market throughout the year.
- Transaction and advisory fees include $9 million of co-investment fees, $12 million representing our share of the break fee (net of associated costs) on the Asciano transaction and a $5 million increase in advisory fees, compared to the prior period.
- Direct costs increased by $13 million in aggregate due to the expansion of our operations. Gross profit margins were 59% (excluding catch-up fees), compared to 52% in the 2015 quarter.
- Fee revenues include $49 million of base management fees from Brookfield capital (2015 – $47 million).

Last Twelve Months:

- Base fees from listed partnerships increased due to a higher level of FBC over the LTM, including $1.8 billion of capital raised by BPY to acquire an additional interest in Canary Wharf.
- Private fund base fees were 59% higher than 2015, benefitting from $127 million of fees relating to net inflows of capital and $18 million of fees due to increased fee rates upon the investment of commitments in applicable funds.
- Incentive distributions increased by 46%, reflecting our participation in BIP and BEP unitholder distribution increases.
- Public market performance fees declined as a result of lower relative market returns.
- Transaction and advisory fees includes $26 million of co-investment fees (2015 – $13 million) and the $12 million Asciano break fee contribution.
- Direct costs increased by 12% as we continue to expand our operations to manage a higher level of FBC. Gross profit margins were 58% (2015 – 51%). Other expenses include $14 million (2015 – $10 million) of non-controlling interest.
- We estimate direct costs allocated to this segment will increase by $15 million on an annualized basis following the spin-off of BBP, as costs related to operations that were previously directly held will be reclassified from corporate costs.
- Fee revenues include $180 million of base management fees from Brookfield capital (2015 – $159 million).

Carried interest represents our share, as manager, of net investment gains in our private funds; we generated $304 million of carried interest on client capital on an LTM basis, increasing cumulative deferred carried interests to $795 million

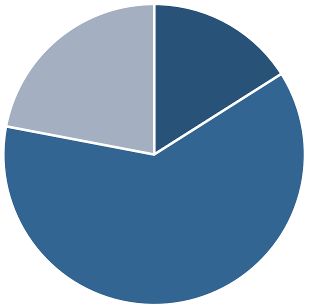
Realized Carried Interest[1]

FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Three Months 2016	Three Months 2015	LTM 2016	LTM 2015
Generated[1]	**$ 137**	$ 52	**$ 304**	$ 196
Recognition of deferred carry	**-**	-	**45**	-
Less: associated costs	**(40)**	(19)	**(102)**	(73)
Deferred recognition, net[1]	**(97)**	(31)	**(217)**	(121)
Carried interest, net	**$ -**	$ 2	**$ 30**	$ 2

1. *Dependent on future investment performance*

Deferred Carried Interest – Realization Timeline

AS AT MAR.31, 2016



- Estimated based on maturity date of funds currently earning carried interest

Deferred Carried Interest Continuity[1,2]

FOR THE PERIODS ENDED MAR. 31, 2016 (MILLIONS)	Three Months Unrealized Carried Interest	Three Months Direct Costs	Three Months Net	LTM Unrealized Carried Interest	LTM Direct Costs	LTM Net
Unrealized balance, beginning of period	$ 658	$ (223)	$ 435	$ 536	$ (191)	$ 345
In period change						
Generated	97	(28)	69	339	(98)	241
Foreign currency revaluation	40	(12)	28	(35)	11	(24)
	137	(40)	97	304	(87)	217
Less: realized	-	-	-	(45)	15	(30)
	137	(40)	97	259	(72)	187
Unrealized balance, end of period	$ 795	$ (263)	$ 532	$ 795	$ (263)	$ 532

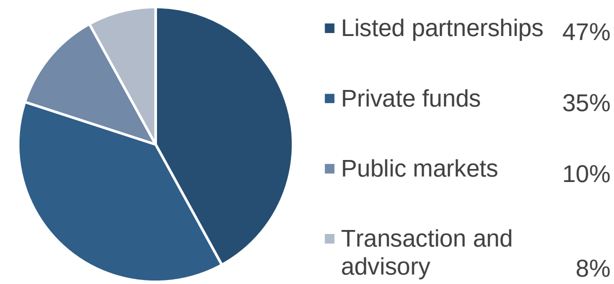
1. *Amounts dependent on future investment performance are deferred*
2. *Carried interest in respect of third-party capital*

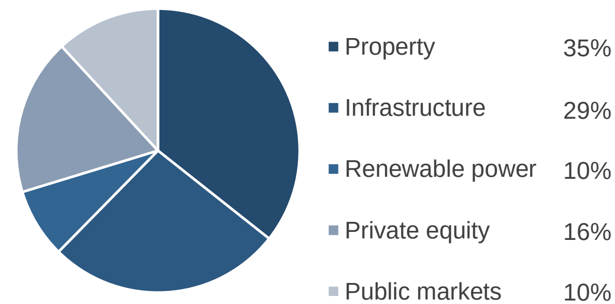
Annualized Fees and Carry

AS AT (MILLIONS)	Apr. 2016[1]		Mar. 31, 2016		Dec. 31, 2015		Mar. 31, 2015	
Base management fees[2]								
Listed partnerships	$	**386**	$	**386**	$	350	$	380
Private funds		**514**		**409**		390		265
Public markets		**95**		**95**		110		105
Incentive distributions[3]		**98**		**98**		98		74
Fee credits[4]		**(40)**		**(40)**		(40)		(20)
		1,053		**948**		908		804
Transaction and advisory[5]		**80**		**80**		79		60
Performance income[5]		**10**		**10**		11		25
Fee revenues[6]		**1,143**		**1,038**		998		889
Target carried interest[7]		**780**		**600**		560		375
	$	**1,923**	**$**	**1,638**	$	1,558	$	1,264

1. *Reflects Mar. 31, 2016 annualized fees, adjusted to include base fees and target carried interest earned on $9.4 billion of client commitments raised in April 2016*
2. *Base management fees include $184 million of annualized base fees on Brookfield capital, net of fee credits (Dec. 31, 2015 – $179 million, Mar. 31, 2015 – $188 million)*
3. *Based on most recent quarterly distributions declared*
4. *Base fees are eliminated on capital invested by listed partnerships into private funds managed by Brookfield*
5. *Simple average of the last two years' results*
6. *Includes $53 million of annualized fee revenue generated by BPY (Dec. 31, 2015 – $53 million, Mar. 31, 2015 – $61 million)*
7. *Based on prescribed carried interest for private funds and target gross return. Includes only third-party capital*

Fee Revenue Diversification[1]





1. *Fee revenues based on annualized March 31, 2016 fees, excludes target carried interest*

- Annualized fees and target carry totalled $1.6 billion at March 31, 2016, representing a 30% increase since the prior year, and $1.9 billion at the end of April due to post-quarter closings.
  - 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 $15 million when $1.2 billion of third-party uncalled capital is invested, as base management fees on this capital 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 estimate gross margins for fee revenues and target carried interest to be 50 to 60% and 60 to 70%, respectively, for planning purposes.

Gross inflows contributed to an 11% increase in fee bearing capital during the last twelve months; annualized base management fees grew by 16% to $850 million

Three Months – March 31, 2016

FOR THE THREE MONTHS ENDED MAR. 31, 2016 (MILLIONS)	Listed Partnerships[1]	Private Funds[1,2]	Public Markets	**Total Fee Bearing**	**Annualized Base Fees**
Balance, beginning of period	$ 43,017	$ 39,151	$ 16,797	**$ 98,965**	**$ 810**
Inflows	-	2,779	618	**3,397**	**19**
Outflows	-	(12)	(907)	**(919)**	**(6)**
Distributions	(496)	-	-	**(496)**	**(6)**
Market valuation	1,840	-	(106)	**1,734**	**15**
Other	1,204	37	-	**1,241**	**18**
Change	2,548	2,804	(395)	**4,957**	**40**
Balance, end of period[3]	$ 45,565	$ 41,955	$ 16,402	**$ 103,922**	**$ 850**[4]

Last Twelve Months – March 31, 2016

FOR THE LTM ENDED MAR. 31, 2016 (MILLIONS)	Listed Partnerships[1]	Private Funds[1,2]	Public Markets	**Total Fee Bearing**	**Annualized Base Fees**
Balance, beginning of period	$ 45,681	$ 28,384	$ 19,143	**$ 93,208**	**$ 730**
Inflows	1,200	14,533	2,886	**18,619**	**178**
Outflows	-	(789)	(3,590)	**(4,379)**	**(26)**
Distributions	(2,044)	-	-	**(2,044)**	**(26)**
Market valuation	(1,031)	-	(2,037)	**(3,068)**	**(33)**
Other	1,759	(173)	-	**1,586**	**27**
Change	(116)	13,571	(2,741)	**10,714**	**120**
Balance, end of period[3]	$ 45,565	$ 41,955	$ 16,402	**$ 103,922**	**$ 850**[4]

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 $4.9 billion of co-investment capital (Dec 31, 2015 - $3.9 billion, Mar 31, 2015 - $2.9 billion), which earns minimal or no base fees*
3. *Fee bearing capital includes Brookfield capital of $20.4 billion in listed partnerships and $1.9 billion in private funds*
4. *Net of $40 million fee credit in respect of $4.4 billion of BPY's capital invested in private funds*

Incentive distributions are earned as listed partnership distributions increase above fixed hurdle rates, reflecting increased levels of free cash flow in the partnership

Annualized Incentive Distributions

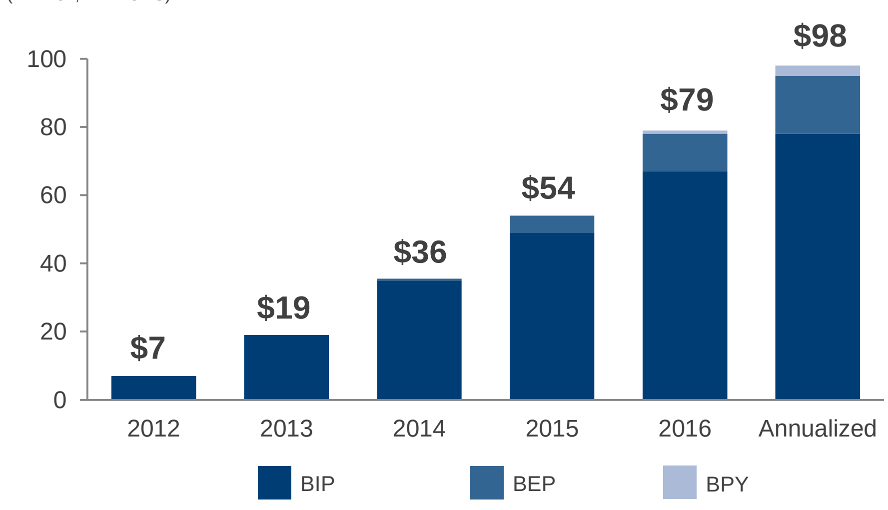
AS AT MAR. 31, 2016
(MILLIONS, EXCEPT PER UNIT)

	Per Unit				
	Annualized Distribution	Distribution Hurdles	Incentive Distribution[1]	Units Outstanding[2]	Annualized Incentive Distribution[2]
Brookfield Infrastructure Partners (BIP)	$ 2.28	$1.22 / $1.32	15% / 25%	230.1	$ 78
Brookfield Renewable Partners (BEP)	1.78	1.50 / 1.69	15% / 25%	275.6	17
Brookfield Property Partners (BPY)	1.12	1.10 / 1.20	15% / 25%	711.1	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*

Incentive Distributions (LTM)

(MAR.31, MILLIONS)



Listed Partnerships: Distributions (per unit)

- Distribution policies target a distribution level that is sustainable on a long-term basis while retaining sufficient liquidity for capital expenditures and general purposes.

	BPY	BEP	BIP
Targeted:			
- FFO payout	80%	60 to 70%	60 to 70%
- Distribution growth	5 to 8%	5 to 9%	5 to 9%
Annual distribution per unit			
2016[1]	$ 1.12	$ 1.78	$ 2.28
2015	1.06	1.66	2.12
2014	1.00	1.55	1.92
2013[2]	1.00	1.45	1.72
2012	n/a	1.38	1.50

1. *Based on most recent distribution*
2. *BPY 2013 distribution annualized from spin-off*

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

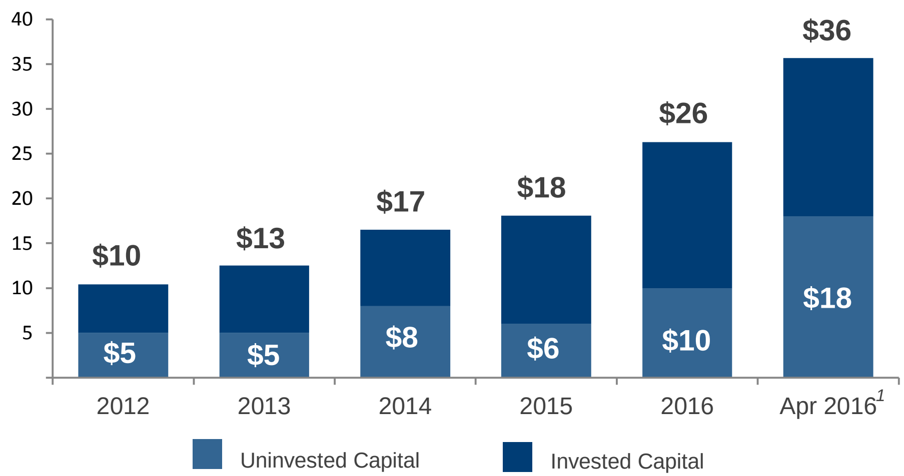
Target Carried Interest – Annualized

AS AT MAR. 31, 2016 (MILLIONS)	Fee Bearing Capital	Carry Eligible Capital[1]	Target Return	Average Carried Interest	Utilization Factor[2]	Annualized Target Carried Interest
Core and Value Add	$ 20,565	$ 12,300	10% to 15%	~18%	85%	$ 200
Opportunistic and Private Equity	21,390	14,000	18% to 25%	~20%	75%	400
	$ 41,955	$ 26,300				$ 600
As at April 2016[3]	$ 51,682	$ 35,700				$ 780

1. *Excludes Brookfield capital 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 $6.5 billion*
2. *Utilization factor discount reflects the amount of capital invested at a point in time*
3. *Reflects March 31, 2016 carry eligible capital, adjusted to include estimated target carried interest on client commitments raised in April 2016*

Carry Eligible Capital

(AS AT MAR.31, BILLIONS)

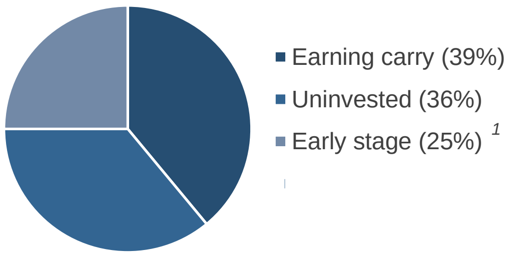


1. *Reflects Mar. 31, 2016 balances, adjusted to include $9.4 billion of client commitments raised in April 2016*

Carry Eligible Capital ($26 billion)

AS AT MAR.31, 2016

- Carried interest currently generated by our private funds lags targeted carried interest, as a significant portion of carry eligible capital is not yet invested.



1. *Includes carry eligible capital raised within the last 18 months and other capital not yet earning carry.*

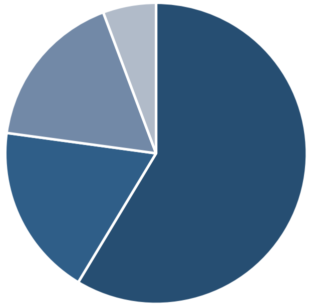
Invested or committed $18 billion of capital during the LTM on a global basis, including $4 billion in the most recent quarter

Capital Deployed (Segmented Basis)

FOR THE LTM ENDED MAR. 31, 2016 (MILLIONS)	Property	Infrastructure	Renewable Power	Private Equity & Other	Total
North America	$ 2,024	$ 262	$ 43	$ 2,542	**$ 4,871**
South America	545	383	2,221	603	**3,752**
Europe	2,559	325	68	25	**2,977**
Asia and other	112	1,649	-	-	**1,761**
Total invested	5,240	2,619	2,332	3,170	**13,361**
Committed	1,291	899	1,369	785	**4,344**
Total	$ 6,531	$ 3,518	$ 3,701	$ 3,955	**$ 17,705**

Capital Deployed (Entity Basis)

FOR THE LTM ENDED MAR.31, 2016



Continued to expand our pipeline of development and capital expansion projects

AS AT MAR. 31, 2016 (MILLIONS)	Geographic Allocation				
	North America	South America	Europe	Asia and Other	**Total**
Property	$ 2,487	$ 212	$ 3,156	$ -	**$ 5,855**
Infrastructure	243	1,245	474	169	**2,131**
Renewable power	718	1,076	830	-	**2,624**
Private equity and other	546	-	10	255	**811**
	$ 3,994	$ 2,533	$ 4,470	$ 424	**$ 11,421**

Our project pipeline stands at over $11 billion, providing meaningful growth opportunities that complement our acquisitions activity.

Significant investments include:

- Colombian hydroelectric portfolio ($2.7 billion)[1]
- Self-storage portfolio in N.A. ($0.8 billion)[1]
- Hospitality assets in the UK ($1.6 billion)
- Australian logistics business ($1.3 billion)
- Global manufacturer of graphite material solutions ($0.9 billion)
- Retail & office buildings in Germany ($0.7 billion)
- Hydroelectric assets in the northeastern U.S. ($0.6 billion)

1. Investments completed during the three months ended March 31, 2016

~80%
of invested capital is held in listed securities

$16.0 billion
of total liquidity available to deploy

$1.2 billion
of annualized cash flow generated from listed investments

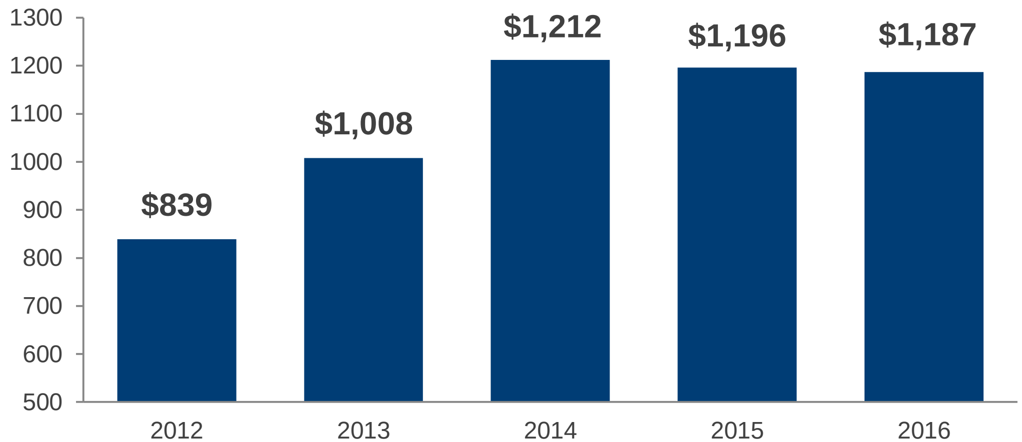
Financial Performance

FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Funds from Operations			
	Three Months		LTM	
	2016	2015	**2016**	2015
Listed investments	**$ 408**	$ 330	**$ 1,266**	$ 1,249
Unlisted assets[1]	**(13)**	42	**263**	310
Capitalization[2]	**(89)**	(87)	**(342)**	(363)
	306	285	**1,187**	1,196
Disposition gains	**212**	162	**892**	626
	$ 518	$ 447	**$ 2,079**	$ 1,822

1. *Includes Brookfield Residential and Brookfield Incorporações for both the three months and last twelve months*
2. *FFO excludes distributions on preferred shares*

FFO – Operating Activities (LTM)[1]

(MAR. 31, MILLIONS)



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

Invested Capital – Profile

- ~70% of our invested capital is invested in our flagship listed partnerships: BPY, BEP and BIP. These partnerships serve as the primary vehicles through which we invest in our private funds.
- We currently invest directly in our private equity and other operations and hold a portfolio of cash and financial assets.
- The formation of BBP will result in the majority of our private equity operations being held by BBP, increasing our liquidity and simplifying our balance sheet.

Listed Partnerships

	BPY	BEP	BIP
Market cap. (bns)[1]	$ 19.0	$ 8.3	$ 9.7
Annual distribution[2]	$ 1.12	$ 1.78	$ 2.28
Targeted:			
- Distribution growth	5 to 8%	5 to 9%	5 to 9%
- FFO payout	80%	60 to 70%	60 to 70%
Brookfield LP ownership[3]	62%	63%	30%

1. *Based on March 31, 2016 public pricing*
2. *On a per unit basis*
3. *LP – Limited partnership*

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

FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Three Months			LTM		
	2016	2015	Variance	**2016**	2015	Variance
Property	**$ 161**	$ 121	$ 40	**$ 642**	$ 544	$ 98
Renewable power	**68**	81	(13)	**195**	230	(35)
Infrastructure	**71**	57	14	**259**	220	39
Private equity	**61**	62	(1)	**420**	449	(29)
Investment income	**34**	51	(17)	**13**	116	(103)
	395	372	23	**1,529**	1,559	(30)
Unallocated						
Interest expenses	**(56)**	(57)	1	**(223)**	(233)	10
Corporate costs and taxes	**(33)**	(30)	(3)	**(119)**	(130)	11
FFO - Invested capital	**$ 306**	$ 285	$ 21	**$ 1,187**	$ 1,196	$ (9)

First Quarter:

- **Property:** FFO increased due to same-property growth in our core office and retail portfolios and FFO earned on new investments made in 2015.
- **Renewable power:** Positive increase in water levels leading to above average generation was offset by lower electricity prices, particularly in Eastern Canada and the U.S. Our recently acquired Colombian and Brazilian hydroelectric facilities contributed $7 million of FFO.
- **Infrastructure:** FFO benefitted from the acquisition of our communications infrastructure operations, increased ownership of our natural gas transmission business and internal growth initiatives which contributed to an 11% increase in same-store FFO on a constant currency basis.
- **Private equity:** FFO increased from the contribution of recent investments, including $16 million from our Australian energy business, which offset a reduced contribution from our other energy businesses. Our panel board operation's FFO grew by $24 million on higher pricing and volumes. Construction services FFO increased year over year after reflecting $24 million of FFO earned in 2015 on a large UK project.
- Our North American homebuilding and land development business experienced lower margins in Alberta offset in part by an increased contribution from our U.S. and Eastern Canada operations, while our Brazilian operations continue to experience lower deliveries.
- **Investment income**: FFO decreased by $17 million due to lower market pricing for non-core financial assets.

Last Twelve Months:

- **Property:** FFO benefitted from the contribution of new investments and positive same-property growth in our office and retail portfolios, particularly in Lower Manhattan.
- **Investment income**: FFO decreased by $103 million, particularly in the third and fourth quarters of 2015, which include the impact of reduced market pricing on portfolio valuations.

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[2,3]		Funds from Operations[1,2,3]		Net Income[2,3]	
	2016	2015	**2016**	2015	**2016**	2015	**2016**	2015
Property								
Vancouver office property	**$ 113**	$ -	**$ 19**	$ -	**$ 113**	$ -	**$ 73**	$ -
Australian office properties	**75**	-	**(1)**	-	**194**	-	**142**	-
Ala Moana partial sale	**-**	113	**-**	-	**61**	113	**-**	-
Manhattan West partial sale	**-**	-	**-**	-	**203**	-	**191**	-
Other properties	**24**	49	**1**	-	**264**	303	**27**	45
	212	162	**19**	-	**835**	416	**433**	45
Private equity and other	**-**	-	**-**	-	**25**	204	**(15)**	6
Renewable power wind facility	**-**	-	**-**	-	**25**	-	**18**	-
Infrastructure	**-**	-	**-**	-	**7**	-	**4**	-
Corporate/asset management	**-**	-	**-**	-	**-**	6	**-**	6
	$ 212	$ 162	**$ 19**	$ -	**$ 892**	$ 626	**$ 440**	$ 57
Per share	**$ 0.22**	$ 0.17	**$ 0.02**	$ -	**$ 0.92**	$ 0.65	**$ 0.45**	$ 0.05

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 29 for a reconciliation of disposition gains included in FFO compared to those included in net income*
3. *Net of non-controlling interests*

First Quarter:

- **Property:** Property gains include dispositions or sales of interests in 15 properties including core office properties in Vancouver (Royal Centre) and Sydney (World Square retail) as well as asset sales in our opportunity funds.

Last Twelve Months:

- **2016:** Office and other property disposition gains ($735 million); retail property disposition gains ($100 million) including the sale of an interest in our marquee retail mall in Honolulu ($61 million); partial sale of a real estate services business ($25 million).
- **2015:** Office and other property disposition gains ($235 million); retail property disposition gains ($181 million) including the sale of an interest in our marquee retail mall in Honolulu ($113 million).

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, 2016 AND DEC. 31, 2015 AND FOR THE PERIODS ENDED MAR. 31 (MILLIONS, EXCEPT PER SHARE AMOUNTS)	Invested Capital		Funds from Operations – Three Months		Funds from Operations – LTM	
	2016	2015	**2016**	2015	**2016**	2015
Asset management						
Fee related earnings	**$ 337**	$ 328	**$ 185**	$ 108	**$ 596**	$ 401
Carried interests, net	**-**	-	**-**	2	**30**	2
	337	328	**185**	110	**626**	403
Invested capital						
Listed						
Brookfield Property Partners	**14,821**	14,888	**140**	112	**562**	492
Brookfield Renewable Partners	**3,527**	3,405	**114**	95	**291**	334
Brookfield Infrastructure Partners	**1,610**	1,585	**63**	49	**231**	193
Other listed	**3,318**	2,744	**91**	74	**182**	230
	23,276	22,622	**408**	330	**1,266**	1,249
Unlisted						
Brookfield Business Partners[1]	**1,844**	1,787	**36**	51	**202**	217
Other unlisted	**4,377**	3,900	**(49)**	(9)	**61**	93
Disposition gains	**-**	-	**212**	162	**892**	626
	29,497	28,309	**607**	534	**2,421**	2,185
Capitalization (slide 16)						
Borrowings	**(4,329)**	(3,936)	**(56)**	(57)	**(223)**	(233)
Net working capital/operating costs	**116**	606	**(33)**	(30)	**(119)**	(130)
Preferred shares[2]	**(3,739)**	(3,739)	**-**	-	**-**	-
	(7,952)	(7,069)	**(89)**	(87)	**(342)**	(363)
	$ 21,882	$ 21,568	**$ 703**	$ 557	**$ 2,705**	$ 2,225
Per share[3]			**$ 0.69**	$ 0.55	**$ 2.64**	$ 2.18

1. *Pro forma formation of Brookfield Business Partners*
2. *FFO excludes $33 million (2015 – $34 million) of preferred share distributions for the three months and $133 million (2015 – $150 million) for the last twelve months, which are included in determining per share results*
3. *See slide 32 for per share distribution*

~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 ~85%

AS AT AND FOR THE PERIODS ENDED MAR. 31, 2016 (MILLIONS)	Business Group	No. of Units	Invested Capital Quoted[1]	Invested Capital IFRS	FFO[2] Three Months	FFO[2] LTM	Distributed Cash Flow (Annualized)[3]
Listed partnerships							
Brookfield Property Partners	Property	483	$ 11,191	$ 14,821	$ 140	$ 562	$ 541
Brookfield Renewable Partners	Renewable Power	172	5,162	3,527	114	291	307
Brookfield Infrastructure Partners	Infrastructure	68	2,868	1,610	63	231	155
Other listed investments							
BPY Preferred Shares	Property	n/a	1,275	1,275	19	76	76
Norbord	Private Equity	35	696	227	19	45	11
Acadian Timber	Infrastructure	8	116	81	2	8	6
Other listed	Private Equity	Various	295	295	17	40	31
Financial assets[4]	Corporate	Various	1,440	1,440	34	13	75[5]
			$ 23,043	23,276	408	1,266	$ 1,202
Unlisted							
Residential development	Private Equity			2,433	(15)	118	
Brookfield Business Partners[6]	Private Equity			1,844	36	202	
Energy marketing	Renewable Power			1,065	(46)	(96)	
Other [7]	Various			879	12	39	
				6,221	(13)	263	
				$ 29,497	$ 395	$ 1,529	

1. *Quoted value based on March 31, 2016 public pricing*
2. *Excludes realized disposition gains*
3. *Annualized distributed cash flow is based on current distribution policies*
4. *Includes $992 million of cash and cash equivalents and $448 million of financial assets, net of deposits*
5. *Estimated 8% annualized total return on weighted average balance*
6. *Pro-forma formation of Brookfield Business Partners*
7. *Includes assets held in our private equity private funds which are reported to our fund partners on a fair value basis that exceed our IFRS values by $115 million in aggregate. Private fund fair values are audited annually and provided to private fund clients on a quarterly basis*

Corporate debt maturities are well distributed over the next 10 years, with over 80% of our term debt maturing after five years

AS AT MAR. 31, 2016 AND DEC. 31, 2015 AND FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Average Yield	Invested Capital 2016	Invested Capital 2015	Funds from Operations – Three Months 2016	Funds from Operations – Three Months 2015	Funds from Operations – LTM 2016	Funds from Operations – LTM 2015
Corporate borrowings	**4.7%**	**$ 4,329**	$ 3,936	**$ 56**	$ 57	**$ 223**	$ 233
Preferred shares[1]	**4.3%**	**3,739**	3,739	**-**	-	**-**	-
Net working capital / Corporate costs and taxes	**n/a**	**621**	122	**33**	30	**119**	130
Deferred income tax asset, net	**n/a**	**(737)**	(728)	**-**	-	**-**	-
		$ 7,952	$ 7,069	**$ 89**	$ 87	**$ 342**	$ 363

1. *FFO excludes preferred shares distributions of $33 million (2015 – $34 million) for the three months; and $133 million (2015 – $150 million) for the last twelve months*

Corporate Maturity Profile

AS AT MAR. 31, 2016 (MILLIONS)	Average Term	Total	Maturity 2016	2017	2018	2019	2020	2021+
Corporate borrowings								
Term debt	**8**	$ 3,960	$ 231	$ 430	$ -	$ 463	$ -	$ 2,836
Revolving facilities[1]	**4**	369	-	-	-	-	369	-
		4,329	231	430	-	463	369	2,836
Preferred shares	**perp.**	3,739	-	-	-	-	-	n/a
		$ 8,068	$ 231	$ 430	$ -	$ 463	$ 369	$ 2,836

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

AS AT MAR. 31, 2016 AND DEC. 31, 2015 (MILLIONS)	Corporate	Property	Renewable Power	Infrastructure	Private Equity and Other	**Total 2016**	Dec. 2015
Cash and financial assets, net	$ 1,440	$ 46	$ 120	$ 476	$ -	**$ 2,082**	$ 1,446
Undrawn committed credit facilities	1,478	526	951	1,332	-	**4,287**	4,206
Core liquidity	2,918	572	1,071	1,808	-	**6,369**	5,652
Uncalled private fund commitments[1]	-	5,387	183	2,242	1,831	**9,643**	9,265
Total liquidity	$ 2,918	$ 5,959	$ 1,254	$ 4,050	$ 1,831	**$ 16,012**	$ 14,917

1. *Third-party private fund uncalled commitments*

- Corporate credit facilities totalled $1.9 billion, of which $369 million was utilized for short-term bank or commercial paper borrowings and $83 million for letters of credit.
- Total liquidity of $16.0 billion at March 31, 2016 includes core liquidity of $6.4 billion and third-party uncalled commitments of $9.6 billion.
  - Uncalled private fund commitments include $3.0 billion committed to investments.

Uncalled Fund Commitments – Expiry Profile

AS AT MAR. 31, 2016 AND DEC. 31, 2015 (MILLIONS)	2016	2017	2018	2019	2020+	**Mar. 2016**	Dec. 2015
Property	$ 825	$ 932	$ -	$ 3,504	$ 126	**$ 5,387**	$ 4,623
Infrastructure and renewable power	921	1,037	-	56	411	**2,425**	2,649
Private equity	154	192	-	1,485	-	**1,831**	1,993
	$ 1,900	$ 2,161	$ -	$ 5,045	$ 537	**$ 9,643**	$ 9,265

- Uncalled commitments expire after approximately three years, based on the weighted average time to the end of each funds investment period.
- We invested $2.4 billion of third-party capital during the first quarter; $7.1 billion during the last twelve months.

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 MAR. 31, 2016 AND DEC. 31, 2015 AND FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Invested Capital		Funds from Operations – Three Months		Funds from Operations – LTM	
	2016	2015	**2016**	2015	**2016**	2015
Investment in Brookfield Property Partners						
LP Units	**$ 14,821**	$ 14,888	**$ 140**	$ 112	**$ 562**	$ 492
Preferred shares	**1,275**	1,275	**19**	19	**76**	76
	16,096	16,163	**159**	131	**638**	568
Unlisted assets, net[1]	**202**	102	**2**	(10)	**4**	(24)
	16,298	16,265	**161**	121	**642**	544
Realized disposition gains	**-**	-	**212**	162	**835**	416
	$ 16,298	$ 16,265	**$ 373**	$ 283	**$ 1,477**	$ 960

1. *Consists of $728 million (2015 – $621 million) of property assets less $526 million (2015 – $519 million) of associated borrowings and preferred share obligations*

Operating Profile

- We manage a global portfolio of premier properties containing over 400 million square feet ("msf") focused on:
  - **Core Office:** 153 properties containing 102 msf and a 32 msf development pipeline.
  - **Core Retail:** 128 high quality regional malls and urban retail properties containing 126 msf predominantly based in the U.S. with average tenant sales of $584 per square foot.
  - **Opportunistic:** Global property portfolio targeting attractive returns and includes industrial, multifamily, hospitality, self-storage and other properties

Financial Performance

- Our share of BPY's FFO increased by $28 million primarily from same-store growth, including FFO on new leases in Lower Manhattan and a 4.4% increase in gross margin in our core retail portfolio. The contribution from new investments was offset by the elimination of FFO earned on disposed assets. Directly held assets contributed $8 million of FFO prior to $6 million of interest expense.
- During the first quarter of 2016, we disposed of 15 properties, including office buildings in Vancouver and Sydney, recognizing $212 million of disposition gains. In the first quarter of 2015, we sold a marquee mall in Honolulu, resulting a gain of $113 million.

Financial Position and Performance – BPY

AS AT MAR. 31, 2016 AND DEC. 31, 2015 AND FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Invested Capital		Funds from Operations			
			Three Months		LTM	
	2016	2015	**2016**	2015	**2016**	2015
Core Office	**$ 15,884**	$ 15,984	**$ 149**	$ 143	**$ 623**	$ 524
Core Retail	**8,750**	8,579	**111**	103	**458**	432
Opportunistic	**4,233**	4,251	**73**	54	**250**	148
Corporate	**(7,038)**	(6,856)	**(116)**	(119)	**(456)**	(341)
Attributable to unitholders	**21,829**	21,958	**217**	181	**875**	763
Non-controlling interest	**(7,008)**	(7,070)	**(69)**	(58)	**(282)**	(245)
Segment reallocation and other[1]	**-**	-	**(8)**	(11)	**(31)**	(26)
Brookfield's interest	**$ 14,821**	$ 14,888	**$ 140**	$ 112	**$ 562**	$ 492

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

- **Core Office:** FFO increased by 4% to $149 million primarily due to 10% positive same-property growth, particularly in Lower Manhattan where we started to recognize rent on leases signed at Brookfield Place New York, partially offset by disposition activity.
  - Average in-place core office rent is $33.41 psf, representing a discount of 19% to market rent, and has an average term of 8.4 years.
  - We executed 1.2 msf of leases during the quarter at average net rents of $31.40 psf, 4.8% higher than expiring rents, while occupancy in our core portfolio remained consistent at 92%.
- **Core Retail:** FFO increased by $8 million to $111 million and benefitted from 4.4% same-property gross margin growth and lower interest expense.
  - Average in-place retail rent of $61.25 psf with a six-year average term to maturity, up from $60.21 psf at March 31, 2015; over 1,300 signed leases commencing in 2016 and 2017 comprising 6.0 msf.
  - Initial and average rent spreads for executed leases commencing in 2016 on a suite-to-suite basis increased by 12.2% and 25% respectively, compared to the rental rate for expiring leases.
- **Opportunistic:** FFO increased from the contribution of capital deployed over the past twelve months including our UK resort operator, U.S. multifamily portfolio, and U.S. self-storage assets.
- **Corporate:** Interest expense was flat overall, as interest cost savings following the repayment of debt to acquire our office portfolio was offset by additional interest on borrowings to partially fund our opportunistic investments. Corporate costs increased on an LTM basis as a result of an increase in BPY's fees on its larger capital base, and additional costs reflecting a higher level of activity and increased scale of the business.

We hold a 63% interest in Brookfield Renewable Partners (“BEP”), which owns all of our renewable power facilities. We also conduct energy marketing initiatives on behalf of BEP

Financial Position and Performance

AS AT MAR. 31, 2016 AND DEC. 31, 2015 AND FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Invested Capital		Funds from Operations			
			Three Months		LTM	
	2016	2015	**2016**	2015	**2016**	2015
Investment in BEP LP units	**$ 3,527**	$ 3,405	**$ 114**	$ 95	**$ 291**	$ 334
Brookfield Energy Marketing	**1,065**	1,019	**(46)**	(14)	**(96)**	(104)
	4,592	4,424	**68**	81	**195**	230
Realized disposition gains	**-**	-	**-**	-	**25**	-
	$ 4,592	$ 4,424	**$ 68**	$ 81	**$ 220**	$ 230

Operating Profile

- We own and operate 258 generating facilities that provide 10,367 MW of generating capacity. Global operations situated in the U.S., Canada, Brazil, Europe and Colombia, comprised of 87% hydroelectric generation, situated on 81 river systems.
- We acquired a 58% interest in Colombia’s third largest power generation company with over 3,000 MW of predominantly hydroelectric capacity and approximately 15,000 GWh of average annual generation. We commenced a tender offer for the remaining shares of the company and subsequent to quarter end increased our ownership to 83%, with the remaining expected to be completed within the next six months.
- Our energy marketing operations acquire approximately 8,400 GWh annually from BEP at a price of $66 per MWh, of which it has contractually sold ~3,000 GWh at an average price of $70 per MWh and sells the balance through short-term financial contracts or at prevailing market prices.

Financial Performance

- Our share of BEP’s FFO increased by 20% to $114 million and benefitted from above average generation levels in our North American hydroelectric portfolio, a return to average generation across our wind portfolio and the growth in our portfolio, including $7 million of FFO earned from our recently acquired Colombian and Brazilian hydroelectric facilities. Generation was 29% higher than 2015 on a proportionate basis and 8% above average.
- Our energy marketing operations’ FFO deficit increased by $32 million as we acquired 29% more electricity, due to higher generation levels, while merchant pricing decreased by 29% compared to the prior year period.

Brookfield Renewable Partners (NYSE: BEP, TSX: BEP.UN)

Financial Position and Performance – BEP

AS AT MAR. 31, 2016 AND DEC. 31, 2015 AND FOR THE PERIODS ENDED MAR. 31 ($ MILLIONS)	Invested Capital		Funds from Operations – Three Months		Funds from Operations – LTM	
	2016	2015	**2016**	2015	**2016**	2015
Proportionate Generation (GWh)						
Actual	**n/a**	n/a	**5,905**	4,560	**19,007**	17,977
Long-term average (LTA)	**n/a**	n/a	**5,477**	4,978	**19,819**	18,814
Hydroelectric generation	**$ 7,988**	$ 6,916	**$ 212**	$ 161	**$ 571**	$ 643
Wind energy	**605**	668	**28**	33	**113**	113
Facilities under development	**207**	209	**-**	-	**-**	-
Corporate/unallocated	**(3,161)**	(2,350)	**(53)**	(41)	**(183)**	(227)
Attributable to unitholders	**5,639**	5,443	**187**	153	**501**	529
Incentive distributions paid	**-**	-	**(5)**	(3)	**(12)**	(12)
Non-controlling interest	**(2,112)**	(2,038)	**(68)**	(55)	**(198)**	(183)
Brookfield's interest	**$ 3,527**	$ 3,405	**$ 114**	$ 95	**$ 291**	$ 334

- **Generation** was 5,905 GWh for the quarter, on BEP's proportionate basis, above the long-term average of 5,477 and an increase of 1,345 GWh compared to the prior year.
- **Hydroelectric** generation was 5,249 GWh, 10% above the long-term average of 4,758 GWh and an increase of 1,340 GWh compared to the prior year. In our North American portfolio, strong inflows and active reservoir management contributed to improved generation and increased FFO by $69 million. In Brazil generation continued to improve following the drought conditions affecting prior periods resulting in an additional $18 million of FFO. Generation from recently acquired facilities in Brazil and Colombia was 474 GWh which contributed $11 million of FFO. These positive variances were partially offset by the impact of lower pricing on BEP's contracted generation, which reduced FFO by $39 million.
- **Wind** generation was 636 GWh, below the long-term average of 664 GWh and an increase of 97 GWh compared to the prior year and contributed an additional $5 million of FFO. Generation at our North American portfolio was ahead of the prior year but was below long-term average. The European portfolio generated higher than prior year and stayed in line with long-term average. Contributions from our facilities acquired in Brazil in the prior year were 47 GWh which was above the long-term average of 34 GWh.
- **Corporate** contributed an FFO deficit of $53 million and includes interest expense on corporate debentures, preferred share distributions as well as unallocated costs including asset management fees paid.

INVESTED CAPITAL – RENEWABLE POWER GROUP
Brookfield Energy Marketing

- We have agreements to purchase approximately 8,400 GWh from BEP 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.

- We expect the negative spread on uncontracted power to turn positive over the longer term as prices for renewable power 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 MAR. 31 (GWh AND MILLIONS)	Generation (GWh)		FFO		Per MWh	
	2016	2015	**2016**	2015	**2016**	2015
Contracted	**990**	852	**$ 69**	$ 64	**$ 70**	$ 75
Uncontracted and financial contracts	**1,760**	1,276	**65**	66	**37**	52
	2,750	2,128	**134**	130	**49**	61
Less: Purchases from BEP	**(2,750)**	(2,128)	**(180)**	(144)	**(66)**	(68)
FFO	**-**	-	**$ (46)**	$ (14)	**$ (17)**	$ (7)

- FFO deficit increased because higher generation levels under fixed rate contracts were sold on an uncontracted basis at lower prices.
- The average realized prices per MWh for uncontracted power was $37/MWh, $15/MWh less than the prior year, primarily due to lower pricing environment.
- Ancillary revenues including capacity payments, green credits and revenues generated for the peaking ability of our plants totalled $18 million, increasing average realized prices by $7/MWh.

Last Twelve Months

FOR THE LTM ENDED MAR. 31 (GWh AND MILLIONS)	Generation (GWh)		FFO		Per MWh	
	2016	2015	**2016**	2015	**2016**	2015
Contracted	**2,805**	3,291	**$ 213**	$ 264	**$ 76**	$ 80
Uncontracted	**5,284**	5,495	**238**	258	**45**	47
	8,089	8,786	**451**	522	**56**	59
Less: Purchases from BEP	**(8,089)**	(8,786)	**(547)**	(626)	**(68)**	(71)
FFO	**-**	-	**$ (96)**	$ (104)	**$ (12)**	$ (12)

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

Financial Position and Performance

AS AT MAR. 31, 2016 AND DEC. 31, 2015 AND FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Invested Capital		Funds from Operations			
			Three Months		LTM	
	2016	2015	**2016**	2015	**2016**	2015
Investment in BIP LP units	**$ 1,610**	$ 1,585	**$ 63**	$ 49	**$ 231**	$ 193
Directly held						
Acadian Timber Corp	**81**	77	**2**	2	**8**	7
Sustainable resources	**603**	541	**6**	6	**20**	20
	2,294	2,203	**71**	57	**259**	220
Realized disposition gains	**-**	-	**-**	-	**7**	-
	$ 2,294	$ 2,203	**$ 71**	$ 57	**$ 266**	$ 220

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, 2.6 million electricity and gas connections and 200,000 smart meters.
  - Transport: 33 terminals, 3,500 km of toll roads and 9,900 km of rail operations.
  - Energy: Approximately 15,000 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

- Our share of BIP's FFO was $63 million in the first quarter, a 29% increase from the prior year's $49 million. FFO increased by $12 million from the contribution of new investments, including our communications infrastructure assets, increased ownership of an energy business and a dividend earned on our Asciano investment. FFO from existing businesses increased by 11%, prior to the impact of foreign exchange, due to internal growth initiatives and increases in regulated tariffs and contractual rates.
  - Operational performance was strong, benefitting from an increased utilities rate base, inflation indexation and higher volumes.
- LTM gains include a $7 million gain on the sale of an electricity transmission system in northeastern U.S.

Financial Position and Performance – BIP

AS AT MAR. 31, 2016 AND DEC. 31, 2015 AND FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Invested Capital		Funds from Operations – Three Months		Funds from Operations – LTM	
	2016	2015	**2016**	2015	**2016**	2015
Utilities	**$ 2,067**	$ 2,002	**$ 100**	$ 95	**$ 392**	$ 373
Transport	**3,500**	3,220	**94**	96	**396**	393
Energy	**1,030**	1,009	**40**	28	**102**	70
Communications	**453**	438	**19**	-	**79**	-
Corporate and other	**(1,594)**	(1,290)	**(19)**	(33)	**(113)**	(112)
Attributable to unitholders	**5,456**	5,379	**234**	186	**856**	724
Incentive distributions	**-**	-	**(19)**	(15)	**(68)**	(48)
Non-controlling interest	**(3,846)**	(3,794)	**(152)**	(122)	**(557)**	(483)
Brookfield's interest	**$ 1,610**	$ 1,585	**$ 63**	$ 49	**$ 231**	$ 193

- **Utilities:** FFO grew by $5 million due to the continued strength in connections activity at our UK regulated distribution business and incremental earnings on growth capital commissioned into our rate base, partially offset by foreign exchange and the elimination of earnings associated with assets sold.
  - We have $776 million of total capital to be commissioned into our rate base, including our capital backlog of $645 million.
- **Transport:** FFO declined slightly compared to the prior year as the benefit of tariff growth across the majority of our portfolio, higher agricultural volumes at our Brazilian rail operation and cost reductions at our Australian rail operation were more than offset by the impact of foreign exchange and weaker heavy vehicle volumes at our South American toll road operation.
  - Capital to be commissioned of $668 million at March 31, 2016 consists of expansion and upgrades to our rail business and projects to add additional capacity to our toll roads and ports.
- **Energy:** FFO increased 43% due to our higher ownership stake and same-store growth in our North American natural gas transmission business and the growing contribution from our district energy businesses.
- **Communications Infrastructure:** FFO totalled $19 million due to full quarter FFO contribution from our communications infrastructure business acquired at the end of the first quarter of 2015. FFO from this business has been consistent on a quarterly basis since acquisition.
- **Corporate & other:** FFO increased by $14 million to a net expense of $19 million primarily due to returns on financial assets acquired in the Last twelve months, including a $13 million dividend earned on our toehold interest in Asciano, partially offset by higher base management fees from increased market capitalization and increased interest expense.

We are in the process of forming and distributing to shareholders a partial interest in Brookfield Business Partners (BBP), our fourth flagship listed partnership, which will own and operate industrial and business services investments

Financial Position and Performance

AS AT MAR. 31, 2016 AND DEC. 31, 2015 AND FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Invested Capital		Funds from Operations: Three Months		Funds from Operations: LTM	
	2016	2015	**2016**	2015	**2016**	2015
Brookfield Business Partners[1]	**$ 1,844**	$ 1,787	**$ 36**	$ 51	**$ 202**	$ 217
Residential development	**2,433**	2,221	**(15)**	2	**118**	147
Norbord[2]	**227**	224	**19**	(5)	**45**	10
Other investments	**369**	167	**21**	14	**55**	75
	4,873	4,399	**61**	62	**420**	449
Realized disposition gains	**-**	-	**-**	-	**25**	204
	$ 4,873	$ 4,399	**$ 61**	$ 62	**$ 445**	$ 653

1. *Pro forma formation of Brookfield Business Partners*
2. *Includes FFO from Ainsworth Lumber Co. Ltd. in 2015*

Operational Highlights

- We plan to establish a listed company called **Brookfield Business Partners L.P. (BBP)** by distributing a 22% 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 industrial and service operations. We anticipate listing BBP in the second quarter of 2016.
- Our residential development business consists of land development and homebuilding operations in North America and condominium development in Brazil.
- We have a 41% interest in Norbord Inc. a publicly traded international producer of wood-based panels (TSX: OSB, NYSE: OSB).

Financial Highlights

- Pro forma BBP FFO decreased by $15 million to $36 million as reduced commodity prices and FFO earned in respect of a large UK construction project in 2015 were partially offset by $12 million of FFO generated by recent acquisitions and follow-on investments.
- Residential development FFO decreased by $17 million compared to the prior year due to slowing energy markets in Western Canada offsetting improved results in our Eastern Canada operations.
- Norbord's FFO increased by $24 million over the prior year quarter as a result of a 17% increase in OSB pricing and a 7% improvement in volumes.
- LTM realized disposition gains include the partial sale of our facilities management business and a $10 million break fee on the prepayment of debt at an investee company. LTM gains in the prior year relate to the sale of a forest products business.

INVESTED CAPITAL – PRIVATE EQUITY GROUP
Brookfield Business Partners[1]

Financial Position and Performance – BBP [1]

AS AT MAR. 31, 2016 AND DEC. 31, 2015 AND FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Invested Capital		Funds from Operations – Three Months		Funds from Operations – LTM	
	2016	2015	**2016**	2015	**2016**	2015
Energy	**$ 341**	$ 315	**$ 18**	$ 10	**$ 77**	$ 46
Industrial operations	**401**	418	**(5)**	3	**6**	14
Business services	**318**	309	**2**	1	**44**	29
Construction services	**784**	745	**22**	34	**93**	123
Brookfield Business Partners[1]	**1,844**	1,787	**37**	48	**220**	212
Segment reallocation[2]	**-**	-	**(1)**	3	**(18)**	5
	$ 1,844	$ 1,787	**$ 36**	$ 51	**$ 202**	$ 217

1. *Pro forma spin-off of Brookfield Business Partners*
2. *Reflects fee related earnings and investment income reclassified to asset management segment*

- **Energy operations:** FFO increased by $8 million to $18 million due to the contribution from recent acquisitions, including $16 million of FFO from our Australian energy operations which are benefitting from hedges put in place on oil production. The contribution from acquisitions was partially offset by lower commodity prices experienced within our western Canada oil and gas operations.

- **Industrial operations:** FFO decreased by $8 million due primarily to lower pricing and volumes in our industrial manufacturing business, specifically our graphite electrodes manufacturing business.

- **Construction services:** FFO decreased by $12 million compared to the prior year period as the 2015 quarter included $24 million of FFO earned in respect of a large UK construction project. Excluding this payment, FFO increased by $12 million over 2015, as we continue to increase the number of projects under construction, specifically in Australia and the Middle East. Our construction business currently has 98 secured projects that are yet to reach practical completion compared to 91 projects as of March 31, 2015. This increased our contracted backlog by 19% to $7.6 billion at March 31, 2016.

Our residential development operations are focused on land development and housing construction in North America and condominium projects in Brazil

Financial Position and Performance

AS AT MAR. 31, 2016 AND DEC. 31, 2015 AND FOR THE PERIODS ENDED MAR. 31 (MILLIONS)	Invested Capital		Funds from Operations			
			Three Months		LTM	
	2016	2015	**2016**	2015	**2016**	2015
North America	**$ 1,362**	$ 1,318	**$ (2)**	$ 12	**$ 157**	$ 172
Brazil and other	**1,071**	903	**(13)**	(10)	**(39)**	(25)
	$ 2,433	$ 2,221	**$ (15)**	$ 2	**$ 118**	$ 147

Operating Profile

- Our North American land development and homebuilding include:
  - Active developments and long-term development positions in high-growth markets such as California, Texas, Colorado, Alberta and Ontario.
  - 70 active housing communities with 1,625 units in backlog with a value of $751 million.
  - 30 active land communities.
- We own one of the leading developers in Brazil's real estate industry; which develops and builds condominium projects in key markets in Brazil including Rio de Janeiro and São Paulo.

Financial Performance

- North American FFO decreased by $14 million due to slower markets in Alberta offset in part by an increased contribution from our U.S. and eastern Canada operations.
  - We experienced lower lot sales in Canada and the U.S. due to the timing of closings, which decreased FFO in the current quarter.
  - Housing gross margin decreased by $9 million due primarily to lower average home selling prices, which was partially offset by additional home closings.
- In our Brazilian operations, FFO declined due to a continued overall challenging economy leading to lower sales and pricing.

Three Months

FOR THE THREE MONTHS ENDED MAR. 31, 2016 (MILLIONS)	Operating Segment	FFO	IFRS Recognition[1] Net Income[2]	Equity[3]	Prior Periods[4]	Total
Vancouver office property	Property	$ 113	$ 19	$ -	$ 94	**$ 113**
Austrialian office property	Property	75	(1)	-	76	**75**
Office properties and other	Property	24	1	-	23	**24**
		$ 212	$ 19	$ -	$ 193	**$ 212**

Last Twelve Months

FOR THE LTM ENDED MAR. 31, 2016 (MILLIONS)	Operating Segment	FFO	IFRS Recognition[1] Net Income[2]	Equity[3]	Prior Periods[4]	Total
U.S. retail properties	Property	$ 100	$ 17	$ -	$ 83	**$ 100**
Office properties	Property	737	424	-	313	**737**
Other property dispositions	Property	(2)	(8)	-	6	**(2)**
Other	Various	57	7	-	50	**57**
		$ 892	$ 440	$ -	$ 452	**$ 892**

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 MAR. 31, 2016 AND DEC. 31, 2015 (MILLIONS)	Corporate		Proportionate		Consolidated	
	2016	2015	**2016[1]**	2015[1]	**2016**	2015
Corporate borrowings	**$ 4,329**	$ 3,936	**$ 4,329**	$ 3,936	**$ 4,329**	$ 3,936
Non-recourse borrowings						
Property-specific mortgages	**-**	-	**27,227**	26,730	**51,399**	46,474
Subsidiary borrowings	**-**	-	**5,801**	5,303	**9,695**	8,303
	4,329	3,936	**37,357**	35,969	**65,423**	58,713
Accounts payable and other	**1,671**	1,726	**8,601**	7,537	**12,283**	11,433
Deferred tax liabilities	**165**	155	**5,182**	4,904	**10,239**	8,810
Subsidiary equity obligations	**-**	-	**1,909**	1,895	**3,419**	3,331
Equity						
Non-controlling interests	**-**	-	**-**	-	**35,806**	31,920
Preferred equity	**3,739**	3,739	**3,739**	3,739	**3,739**	3,739
Common equity	**21,882**	21,568	**21,882**	21,568	**21,882**	21,568
	25,621	25,307	**25,621**	25,307	**61,427**	57,227
Total capitalization	**$ 31,786**	$ 31,124	**$ 78,670**	$ 75,612	**$ 152,791**	$ 139,514
Debt to capitalization[2]	**14%**	13%	**47%**	48%	**43%**	42%

1. *Reflects liabilities associated with assets held for sale on a proportionate basis.*
2. *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.
  - 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) – Three Months Ended March 31

Condensed Statements of Operations

FOR THE THREE MONTHS ENDED MAR. 31 (MILLIONS, EXCEPT PER SHARE AMOUNTS)	2016	2015	Change
Revenue	$ 5,218	$ 4,396	$ 822
Direct costs	(3,648)	(3,006)	(642)
Gross margin	1,570	1,390	180
Other income and gains	35	-	35
Equity accounted income	152	267	(115)
Expenses			
Interest	(767)	(701)	(66)
Corporate costs	(23)	(29)	6
Fair value changes	352	1,113	(761)
Depreciation and amortization	(481)	(401)	(80)
Income tax	(202)	(201)	(1)
Net income	636	1,438	(802)
Non-controlling interests	(379)	(709)	330
Net Income attributable to shareholders	$ 257	$ 729	$ (472)
Per share	$ 0.23	$ 0.73	$ (0.50)

Financial Highlights

- **Revenues** increased due to earnings generated from recently acquired businesses, improved volumes and pricing at existing businesses, including higher generation in our renewable power operations. These positive variances were partially offset by the impact of foreign currency changes on our non U.S. dollar revenues and the inclusion of revenue in the prior year from assets which have been disposed.
- **Gross margin** increased due to the contributions of acquisitions and development projects coming online, increased rates and occupancy in our property portfolio, inflationary increases in our infrastructure businesses and higher generation at our renewable power operations. These increases were partially offset by lower energy and commodity prices, lower margins in our residential development segment, and the impact of foreign exchange.
- **Interest expense** increased due to higher amounts of borrowings which were used to finance acquisitions, particularly in our property and renewable power operations.
- We recorded $352 million of **fair value changes**, primarily due to increased appraisal gains on our office properties and the revaluation of our GGP warrants during the quarter, however this was $761 million below the prior year amount which included a higher level of gains on our U.S. and Australian office properties and $270 million of transaction related gains.
- **Net income attributable to shareholders** decreased mainly due to lower fair value gains attributable to the company.

Common Share Continuity

FOR THE THREE MONTHS ENDED MAR. 31 (MILLIONS)	2016	2015
Outstanding at beginning of period	**961.3**	928.2
Issued (repurchased)		
Repurchases	**(3.3)**	(4.2)
Long-term share ownership plans	**0.5**	3.0
Dividend reinvestment plan	**0.1**	0.1
Outstanding at end of period	**958.6**	927.1
Unexercised options and other share-based plans	**46.9**	56.1
Total diluted shares at end of period	**1,005.5**	983.2

- The company holds 27.8 million common shares for management share ownership plans, which have been deducted from the total number of shares outstanding.
  - 4.9 million shares would be issued in respect of these plans if exercised based on current market prices and the balance would be cancelled
- Cash value of unexercised options at March 31, 2016 was $952 million (December 31, 2015 – $828 million).

FFO and Earnings Per Share Information

FOR THE THREE MONTHS ENDED MAR. 31 (MILLIONS)	Funds from Operations		Net Income	
	2016	2015	**2016**	2015
Funds from operations/Net income	**$ 703**	$ 557	**$ 257**	$ 729
Preferred share dividends	**(33)**	(34)	**(33)**	(34)
Funds from operations/Net income available for shareholders	**$ 670**	$ 523	**$ 224**	$ 695
Weighted average shares	**959.2**	928.0	**959.2**	928.0
Dilutive effect of the conversion of options and other share-based plans using treasury stock method	**15.6**	29.0	**15.6**	29.0
Shares and share equivalents	**974.8**	957.0	**974.8**	957.0

RECONCILIATION OF NET INCOME TO FFO

March 31, 2016

FOR THE THREE MONTHS ENDED (MILLIONS)	IFRS	Reconciling Items: Eliminate Non-FFO Items	Reconciling Items: Intersegment Adjustments	Reconciling Items: Realized Disposition Gains	FFO
Revenues	$ 5,218	$ -	$ 277	$ -	**$ 5,495**
Direct costs	(3,648)	-	(5)	-	**(3,653)**
Other income and gains	35	-	-	-	**35**
Equity accounted income	152	274	-	-	**426**
Expenses					
Interest	(767)	-	(6)	-	**(773)**
Corporate costs	(23)	-	(266)	-	**(289)**
Realized disposition gains	-	-	-	193	**193**
Fair value changes	352	(333)	-	-	**19**
Depreciation and amortization	(481)	481	-	-	**-**
Income tax	(202)	170	-	-	**(32)**
Net income	**636**				
Non-controlling interests	(379)	(339)	-	-	**(718)**
Net income / FFO attributable to shareholders	**$ 257**	**$ 253**	**$ -**	**$ 193**	**$ 703**

March 31, 2015

FOR THE THREE MONTHS ENDED (MILLIONS)	IFRS	Reconciling Items: Eliminate Non-FFO Items	Reconciling Items: Intersegment Adjustments	Reconciling Items: Realized Disposition Gains	FFO
Revenues	$ 4,396	$ -	$ 249	$ -	**$ 4,645**
Direct costs	(3,006)	-	(25)	-	**(3,031)**
Equity accounted income	267	19	-	-	**286**
Expenses					
Interest	(701)	-	(6)	-	**(707)**
Corporate costs	(29)	-	(218)	-	**(247)**
Realized disposition gains	-	-	-	162	**162**
Fair value changes	1,113	(1,113)	-	-	**-**
Depreciation and amortization	(401)	401	-	-	**-**
Income tax	(201)	167	-	-	**(34)**
Net income	**1,438**				
Non-controlling interests	(709)	192	-	-	**(517)**
Net income / FFO attributable to shareholders	**$ 729**	**$ (334)**	**$ -**	**$ 162**	**$ 557**

We are now reporting our results on a pro forma basis for the formation of BBP. The following table illustrates the impact of this change on our previously reported results.

Current Presentation

AS AT MAR. 31, 2016 AND DEC. 31, 2015 AND FOR THE THREE MONTHS ENDED (MILLIONS)	Invested Capital		Funds From Operations								
	2016	2015	**2016**	2015				2014			
	Q1	Q4	**Q1**	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Brookfield Business Partners											
Energy	**$ 341**	$ 315	**$ 18**	$ 41	$ 16	$ 2	$ 10	$ 11	$ 14	$ 11	$ 19
Industrial operations	**401**	418	**(5)**	(2)	5	8	3	2	4	5	1
Business services	**318**	309	**2**	11	17	14	1	4	20	4	4
Construction services	**784**	745	**22**	34	20	17	34	49	16	24	5
	1,844	1,787	**37**	84	58	41	48	66	54	44	29
Segment reallocation	**-**	-	**(1)**	(9)	-	(8)	3	3	(5)	4	(3)
	1,844	1,787	**36**	75	58	33	51	69	49	48	26
Norbord	**227**	224	**19**	17	7	2	(5)	-	(2)	17	7
Other investments	**369**	167	**21**	5	19	10	14	18	17	26	7
	$ 2,440	$ 2,178	**$ 76**	$ 97	$ 84	$ 45	$ 60	$ 87	$ 64	$ 91	$ 40

Previous Presentation

AS AT MAR. 31, 2016 AND DEC. 31, 2015 AND FOR THE THREE MONTHS ENDED (MILLIONS)	Invested Capital		Funds From Operations								
	2016	2015	**2016**	2015				2014			
	Q1	Q4	**Q1**	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Private equity	**$ 1,318**	$ 1,198	**$ 48**	$ 57	$ 38	$ 23	$ 17	$ 27	$ 21	$ 54	$ 28
Service activities	**1,122**	980	**28**	40	46	22	43	60	43	37	12
	$ 2,440	$ 2,178	**$ 76**	$ 97	$ 84	$ 45	$ 60	$ 87	$ 64	$ 91	$ 40

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 36 through 38 of our December 31, 2015 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 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 33.

  - FFO from **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 capital commitments and contributions to our private and public market funds, and equity issuances in our listed partnerships.
  - **Outflows** represent returns of committed capital (excluding market valuation adjustments) redemptions, expiry of uncalled commitments and client withdrawals.
  - **Distributions** represent quarterly distributions from listed partnerships.
  - **Market activity** includes gains (losses) on portfolio investments: Listed partnerships and public markets based on market prices; private fund capital based on capital committed and/or deployed.
  - **Other** include changes in net non-recourse leverage included in the determination of listed partnership capitalization and impact of foreign exchange fluctuations on non-U.S. dollar commitments.
- **Annualized Fees** are determined using capital committed or invested and contractual arrangements of the balance sheet date.
- **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.