Brookfield

2022

Q2 SUPPLEMENTAL INFORMATION

THREE MONTHS ENDED
JUNE 30, 2022

Brookfield Asset Management Inc.

2022 Second Quarter Highlights

$750B	$392B	$5B
TOTAL ASSETS UNDER MANAGEMENT	FEE-BEARING CAPITAL	LAST TWELVE MONTHS DISTRIBUTABLE EARNINGS

PERFORMANCE UPDATE

We generated $1.2 billion of Distributable Earnings ("DE") during the quarter and $4.9 billion in the last twelve months ("LTM").

- Fee-related earnings were $525 million in the quarter and $2.0 billion for the LTM, representing increases of 30% and 22% when excluding performance fees, respectively, as compared to the prior periods. This was driven by strong fundraising, including contributions from our latest round of flagship funds, and capital deployments.
- Distributions from principal investments were $612 million in the quarter and $2.4 billion over the LTM, representing increases of 29% and 19%, respectively, compared to the prior periods, supported by strong performance across our underlying businesses, and our increased ownership in our real estate business.
- DE before realizations were $1.0 billion for the quarter and $3.9 billion for the LTM, which are 25% higher than last year, due to the aforementioned growth in fee-related earnings, higher distributions from principal investments and increased earnings from our insurance solutions business (due to the acquisition of American National).

We have had record inflows of $56 billion since last quarter ($41 billion during the quarter and $15 billion subsequent to quarter end). Fee-bearing capital stands at $392 billion, representing a $13 billion increase in the quarter and $67 billion over the LTM.

- We held a final close for our transition fund, raising $15 billion and we are finalizing first closes for our sixth private equity flagship fund at $8 billion and our fifth infrastructure flagship fund for $20 billion, with each well positioned to grow significantly in the coming months. We have raised approximately $14.5 billion for our flagship real estate fund and expect to have the final close in the third quarter. Our $16 billion flagship opportunistic credit fund is currently 80% invested and/or committed and we expect to start fundraising for the next vintage in the coming months.
- Perpetual fee-bearing capital now totals $133 billion, a 34% increase from last year, primarily driven by contributions from the acquisition of American National and inflows related to our perpetual private funds.
- We currently have $36 billion of additional committed capital that will earn annual fees of approximately $360 million once invested.

During the second quarter we invested or committed $36 billion to new investments. We also completed or advanced $21 billion of monetizations and generated $553 million of carried interest.

- We committed $16 billion and deployed $20 billion of capital to acquire several high-quality businesses and assets as we continue to see a number of very attractive investment opportunities. This included $8.5 billion to acquire a software business that is embedded in the car dealership business in the U.S., $3 billion of real estate at a significant discount to intrinsic value, a subscription-based residential maintenance business in the U.K. and subsequent to quarter end, our infrastructure business announced a partnership to buy a majority interest in Deutsche Telekom's Tower business in Germany for €17.5 billion.
- We have been able to monetize $21 billion of assets at premium valuations since the end of last quarter, including $10 billion of asset sales within our real estate business. Notable sales across the business include our U.K. student housing business for $4.3 billion and our port business in Los Angeles for $1 billion. As we look forward, we have a number of other sales processes under way and our monetization pipeline remains strong.
- We generated $553 million of carried interest during the quarter and $3.8 billion over the LTM, driven by the appreciation of our investments. Total accumulated unrealized carried interest now stands at $8.6 billion, representing a 7% increase during the quarter.

2022 Second Quarter Highlights cont'd

OPERATING RESULTS

FFO[1] was $1.4 billion in the quarter and $6.1 billion over the LTM. Operating FFO was $1.2 billion in the quarter and $4.4 billion over the LTM, 42% and 27% higher than the comparative periods, respectively.

- Our operating FFO increased due to strong asset management earnings, growth in same-store operating earnings, contributions from recent large-scale acquisitions and the benefit of an increased ownership in our real estate business due to the privatization of BPY.

Net income in the quarter was $1.5 billion, or $590 million attributable to shareholders. For the LTM, net income was $10.6 billion, or $3.9 billion attributable to shareholders.

- Strong performance in our asset management earnings and same-store growth were more than offset by higher disposition gains in the prior year quarter.
- For the LTM, net income grew by $2.1 billion, with $3.9 billion or $2.30 per share of net income attributable to BAM shareholders.

LIQUIDITY

Deployable capital at June 30, 2022 was approximately $111 billion.

- At June 30, 2022, we had $37 billion of core liquidity and $74 billion of uncalled private fund commitments.
- Growth in our insurance solutions business has added $23 billion of short-term cash and liquid investments.

Our balance sheet continues to be extremely conservatively capitalized, with a corporate debt to market capitalization ratio of 13%.

- As of June 30, 2022, our corporate debt totaled $12 billion, with a weighted-average interest rate of 4.1% and a weighted-average remaining term of 13 years.
- Our corporate debt is supplemented with $4 billion of perpetual preferred shares, which carry an average cost of 4.3%.

STRATEGIC INITIATIVES

We made significant progress across a number of our strategic initiatives.

- At the end of May, Brookfield Reinsurance closed the acquisition of American National for $5.1 billion.
- We continue to progress our plans to publicly distribute to our shareholders a 25% interest in our asset management business and remain on track to complete the distribution this year.

1. Refer to the Glossary of Terms starting on page 39.

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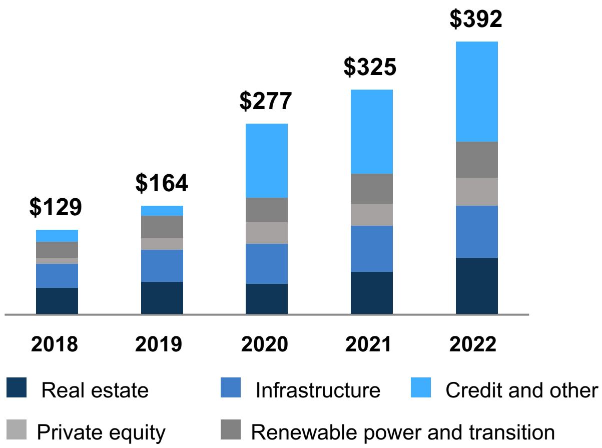
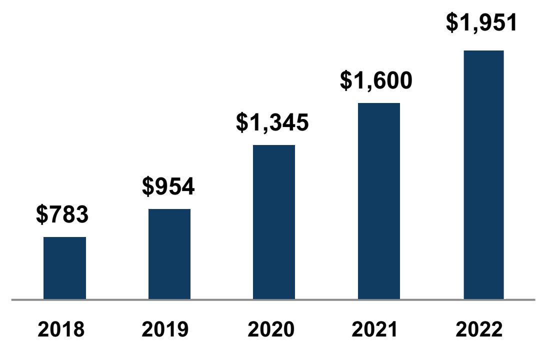
Performance Highlights

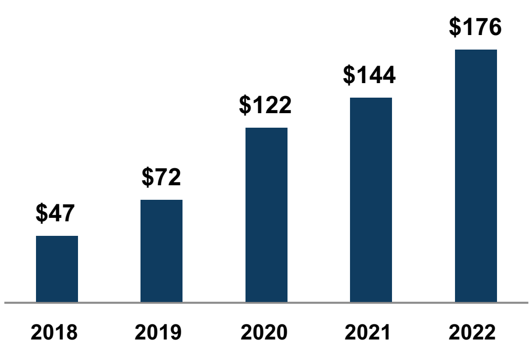
Fee-Bearing Capital
AS AT JUN. 30 (BILLIONS)



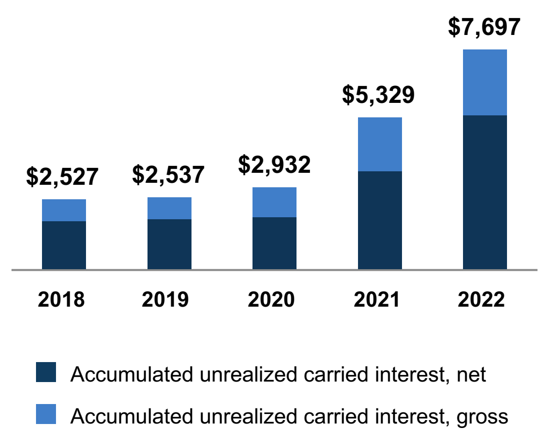
Fee-Related Earnings excluding performance fees
FOR THE LTM ENDED JUN. 30 (MILLIONS)



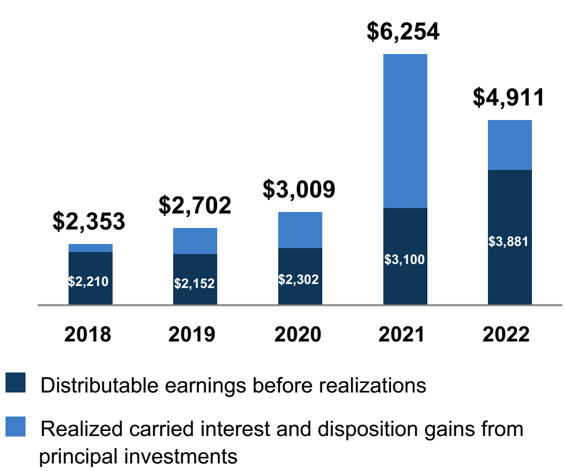
Carry Eligible Capital
AS AT JUN. 30 (BILLIONS)



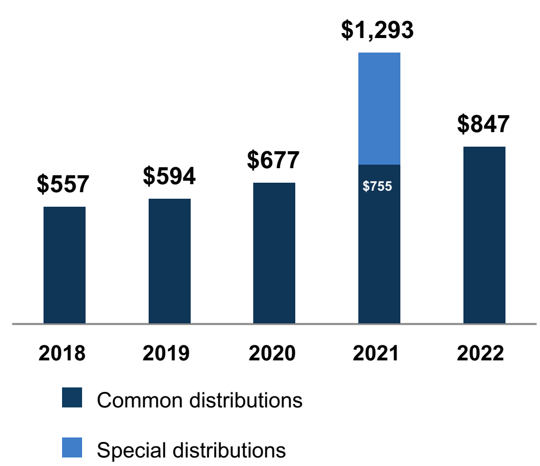
Accumulated Unrealized Carried Interest
AS AT JUN. 30 (MILLIONS)



Distributable Earnings
FOR THE LTM ENDED JUN. 30 (MILLIONS)



Distributions to Common Shareholders
FOR THE LTM ENDED JUN. 30 (MILLIONS)



Distributable Earnings (“DE”)

DE before realizations was $1.0 billion in the quarter, an increase of 26% over the prior period

DE represents the deconsolidated earnings of the corporation. It is predominantly made up of our asset manager earnings, as well as the cash flow we receive from our principal investments, including disposition gains from these investments.

FOR THE PERIODS ENDED JUN. 30 (MILLIONS, EXCEPT PER SHARE AMOUNTS)	Three Months 2022	Three Months 2021	LTM 2022	LTM 2021	Annualized[1]	Page Ref.
Fee revenues	**$ 993**	$ 890	**$ 3,790**	$ 3,190	**$ 4,006**	pages 15-16
Direct costs	**(433)**	(369)	**(1,604)**	(1,373)	**(1,934)**	
	560	521	**2,186**	1,817	**2,072**	
Amounts not attributable to Brookfield shareholders	**(35)**	(38)	**(157)**	(138)	**(121)**	
Fee-related earnings	**525**	483	**2,029**	1,679	**1,951**	page 14
Perpetual affiliates	**548**	421	**2,141**	1,529	**2,219**	
Corporate cash and financial assets[2]	**(31)**	20	**(57)**	336	**214**	
Other principal investments[3]	**95**	33	**343**	171	**341**	
Distributions from investments	**612**	474	**2,427**	2,036	**2,774**	page 26
Insurance solutions operating earnings	**46**	3	**85**	7	**360**	
Corporate activities	**(174)**	(144)	**(643)**	(575)	**(674)**	
Preferred share dividends[4]	**(39)**	(41)	**(156)**	(151)	**(156)**	
	(213)	(185)	**(799)**	(726)	**(830)**	
Add back: equity-based compensation costs	**39**	27	**139**	104	**156**	
Distributable earnings before realizations	**1,009**	802	**3,881**	3,100	**$ 4,411**	
Realized carried interest, net	**48**	205	**463**	679		
Disposition gains from principal investments	**129**	225	**567**	2,475		page 29
Distributable earnings[5]	**$ 1,186**	$ 1,232	**$ 4,911**	$ 6,254		
Per share						
Distributable earnings before realizations[6]	**$ 0.62**	$ 0.52	**$ 2.39**	$ 2.01		
Distributable earnings[6]	**$ 0.73**	$ 0.79	**$ 3.03**	$ 4.05		

Our share of Oaktree’s distributable earnings is $78 million for the quarter (2021 – $98 million) and $473 million for the LTM (2021 – $512 million).

BBU pays a modest distribution as the majority of its FFO is reinvested within the business. For comparability to industry metrics, we have provided a proxy distribution for BBU below based on our ownership in BBU and an assumed payout ratio of 70%, aligned to the payout ratios of our other perpetual affiliates.

FOR THE PERIODS ENDED JUN. 30 (MILLIONS, EXCEPT PER SHARE AMOUNTS)	Three Months 2022	Three Months 2021	LTM 2022	LTM 2021
Distributable earnings	**$ 1,186**	$ 1,232	**$ 4,911**	$ 6,254
Add: proxy for BBU distribution payout, at our share	**148**	55	**556**	356
Add: proxy for payout of disposition gains at BBU, at our share	**—**	66	**—**	231
Less: distributions from BBU currently within DE	**(9)**	(6)	**(27)**	(24)
Distributable earnings with proxy for BBU	**$ 1,325**	$ 1,347	**$ 5,440**	$ 6,817
Distributable earnings with proxy for BBU, per share[6]	**$ 0.82**	$ 0.87	**$ 3.36**	$ 4.42

See endnotes.

Asset Management

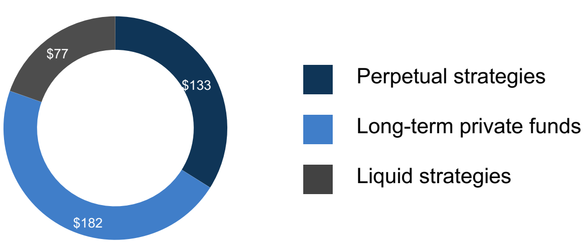
We create value for our shareholders through enhancing the value of our asset management franchise by: i) increasing fee-bearing capital, which increases our fee-related earnings; and ii) achieving attractive investment returns, which enables us to earn performance income (carried interest).

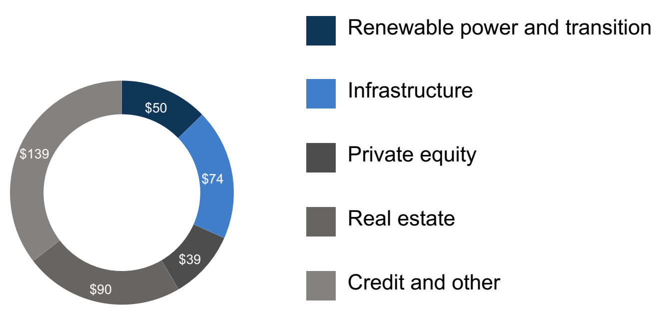
Our asset management activities generated annualized fee-related earnings of $2.0 billion and target carried interest of $2.4 billion, representing growth of 21% and 38%, over the LTM, respectively. These increases were primarily due to growth in fee-bearing capital and carry eligible capital of 21% and 22% over the LTM, respectively.

AS AT AND FOR THE LTM ENDED JUN. 30 (MILLIONS)	Fee-Bearing Capital[1]		Actual		Annualized	
	2022	2021	**2022**	2021	**2022**	2021
Fee-related earnings[2]						
Renewable power and transition	**$ 50,038**	$ 40,530	**$ 539**	$ 492	**$ 574**	$ 488
Infrastructure	**74,164**	63,881	**975**	833	**1,012**	871
Private equity[3]	**38,954**	31,514	**483**	437	**565**	475
Real estate[3]	**89,346**	70,891	**864**	651	**919**	744
Credit and other[3]	**139,254**	118,250	**929**	777	**936**	830
	$ 391,756	$ 325,066	**3,790**	3,190	**4,006**	3,408
Direct costs[4]			**(1,604)**	(1,373)	**(1,934)**	(1,679)
			2,186	1,817	**2,072**	1,729
Earnings not attributable to BAM			**(157)**	(138)	**(121)**	(121)
			2,029	1,679	**1,951**	1,608
Carried interest						
Carried interest[5,6,7]			**1,099**	1,492	**4,263**	3,259
Direct costs[4]			**(509)**	(637)	**(1,563)**	(1,249)
			590	855	**2,700**	2,010
Carried interest not attributable to BAM			**(127)**	(169)	**(285)**	(258)
			463	686	**2,415**	1,752
Total fee-related earnings and carried interest, net			**$ 2,492**	$ 2,365	**$ 4,366**	$ 3,360

Fee-Bearing Capital Diversification

AS AT JUN. 30, 2022 (BILLIONS)





Perpetual strategies include capital in our perpetual affiliates and perpetual private funds, which includes core and core plus strategies that can continually raise new capital.

Long-term private funds are long duration in nature and include closed-end value-add and opportunistic strategies. Capital is typically committed for 10 years from the inception of the fund with two one-year extension options.

Liquid strategies represent publicly listed funds and separately managed accounts, focused on fixed income and equity securities across a number of different sectors.

See endnotes.

Invested Capital

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

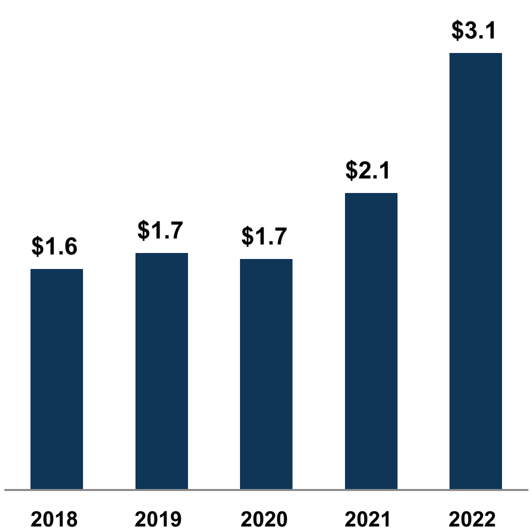
Our invested capital was $67.5 billion on a blended basis as at June 30, 2022, on which we earn diversified, long-term, stable cash flows via dividends. Our invested capital generates $3.1 billion of annualized distributions from our investments (June 30, 2021 – $2.1 billion). The balance of the earnings is retained for reinvesting in our investments.

The following table provides a breakdown of our invested capital as at June 30, 2022 and December 31, 2021. We provide three methods for you to review: quoted prices, our IFRS values, and the blended values. We recommend you focus on the blended values as we have control over these assets and believe we could liquidate for these values. Nonetheless, we provide this information so you can choose how to assess the numbers.

		Quoted[1]		IFRS		Blended[2]		Cash Flow
AS AT JUN. 30, 2022 AND DEC. 31, 2021 (MILLIONS)	No. of Units	**2022**	2021	**2022**	2021	**2022**	2021	**Annualized[3]**
BEP	312.0	**$ 10,895**	$ 11,214	**$ 4,446**	$ 4,641	**$ 10,895**	$ 11,214	**$ 399**
BIP	209.4	**8,058**	8,552	**2,564**	2,696	**8,058**	8,552	**302**
BBU	141.7	**3,089**	4,351	**2,768**	2,803	**3,089**	4,351	**35**
Corporate cash and financial assets[4]	Various	**2,680**	3,522	**2,680**	3,522	**2,680**	3,522	**214**
		24,722	27,639	**12,458**	13,662	**24,722**	27,639	**950**
BPG	N/A	**N/A**	N/A	**31,542**	32,004	**31,542**	32,004	**1,483**
Insurance solutions	N/A	**N/A**	N/A	**3,868**	988	**3,868**	988	**360**
Other investments[5,6]	Various	**N/A**	N/A	**4,780**	5,202	**6,687**	6,697	**341**
Total investments				**52,648**	51,856	**66,819**	67,328	**3,134**
Working capital, net				**679**	699	**679**	699	**N/A**
Invested capital				**53,327**	52,555	**67,498**	68,027	**$ 3,134**
Debt and preferred capital[7]				**(16,429)**	(15,250)	**(16,429)**	(15,250)	
Invested capital, net				**$ 36,898**	$ 37,305	**$ 51,069**	$ 52,777	

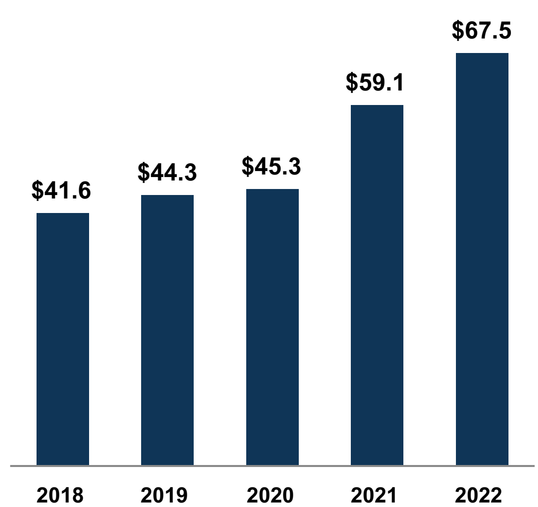
Annualized Cash Flow

AS AT JUN. 30 (BILLIONS)



Invested Capital

AS AT JUN. 30 (BILLIONS)



See endnotes.

Liquidity and Capital Structure

We manage our liquidity and capital resources on a group-wide basis; however, it is organized into three principal tiers:

1. The Corporation[1];
2. Our perpetual affiliates (BEP, BIP, BBU and BPG); and
3. Managed funds or investments, either held directly or within perpetual affiliates.

LIQUIDITY

The Corporation has very few non-discretionary capital requirements. We maintain significant liquidity ($5.2 billion in the form of corporate cash and financial assets and undrawn credit facilities) at the corporate level to further enable the growth of the broader business. This does not include our ability to issue debt at the Corporation to replenish our cash resources on an otherwise very conservatively leveraged corporate balance sheet.

On a group basis, as at June 30, we had approximately $111 billion of liquidity, which included corporate liquidity, perpetual affiliate liquidity, and uncalled private fund commitments. Uncalled fund commitments include third-party commitments available for drawdown in our private funds.

AS AT JUN. 30, 2022 AND DEC. 31, 2021 (MILLIONS)	Corporate Liquidity		Group Liquidity	
	2022	2021	**2022**	2021
Cash and financial assets, net	**$ 2,680**	$ 3,522	**$ 27,984**	$ 6,233
Undrawn committed credit facilities	**2,532**	1,618	**8,852**	8,778
Core liquidity	**5,212**	5,140	**36,836**	15,011
Third-party uncalled private fund commitments	**—**	—	**73,855**	77,079
Total liquidity	**$ 5,212**	$ 5,140	**$ 110,691**	$ 92,090

CAPITAL STRUCTURE

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

Our Corporate capitalization was $63 billion as at June 30, 2022, with a debt to capitalization level of approximately 17% at the corporate level based on book values, which excludes virtually all of the value of our asset management operations (see page 23 for details). Based on our market capitalization the corporate debt to capitalization level was 13%.

- Corporate borrowings excluding commercial paper totaled $11 billion, with a weighted-average term of 13 years, and a weighted-average interest rate of 4.1%.
- Our corporate borrowings are supplemented by $4 billion of perpetual preferred shares with a weighted-average cost of 4.3%.

AS AT JUN. 30, 2022 (MILLIONS)	Average Term (Years)	Total[2]	Maturity 2022	2023	2024	2025	2026	2027+
Term debt	**13**	$ 10,739	$ —	$ —	$ 1,138	$ 500	$ 1,160	$ 7,941
Perpetual preferred shares[3]	**perp.**	4,375	—	—	—	—	—	n/a
		$ 15,114	$ —	$ —	$ 1,138	$ 500	$ 1,160	$ 7,941

1. See endnotes.
2. Draws on commercial paper issuances are excluded from the debt repayment schedule as they are not a permanent source of capital.
3. See endnotes.

Liquidity Profile

CORE AND TOTAL LIQUIDITY

AS AT JUN. 30, 2022 AND DEC. 31, 2021 (MILLIONS)	Corporate	Renewable Power and Transition	Infrastructure	Private Equity	Real Estate	Credit and Other[1]	**Total 2022**	Dec. 2021
Cash and financial assets, net	$ 2,680	$ 673	$ 439	$ 326	$ 98	$ 23,768	**$ 27,984**	$ 6,233
Undrawn committed credit facilities	2,532	2,037	1,580	319	1,356	1,028	**8,852**	8,778
Core liquidity	5,212	2,710	2,019	645	1,454	24,796	**36,836**	15,011
Uncalled private fund commitments[2]	—	14,167	6,356	12,536	25,013	15,783	**73,855**	77,079
Total liquidity	$ 5,212	$ 16,877	$ 8,375	$ 13,181	$ 26,467	$ 40,579	**$110,691**	$ 92,090

- We have total liquidity of $111 billion at the end of the quarter, comprised of $37 billion of core liquidity and $74 billion of uncalled private fund commitments.
  - Core liquidity represents our principal sources of short-term liquidity, which consists of our cash and financial assets, net of deposits and other associated liabilities, and undrawn committed credit facilities.
- At the corporate level, we have $5.2 billion of liquidity, consisting of approximately $2.7 billion of cash and financial assets and $2.5 billion of undrawn credit facilities.

UNCALLED FUND COMMITMENTS – EXPIRY PROFILE

AS AT JUN. 30, 2022 AND DEC. 31, 2021 (MILLIONS)	2022	2023	2024	2025	2026+	**Total 2022[3]**	Dec. 2021
Renewable power and transition	$ 64	$ —	$ —	$ 113	$ 13,990	**$ 14,167**	$ 12,278
Infrastructure	87	—	—	258	6,011	**6,356**	11,643
Private equity	—	124	—	998	11,414	**12,536**	9,863
Real estate	600	428	660	233	23,092	**25,013**	25,831
Credit and other	—	21	1,156	430	14,176	**15,783**	17,464
	$ 751	$ 573	$ 1,816	$ 2,032	$ 68,683	**$ 73,855**	$ 77,079

- Approximately $37.5 billion of the uncalled fund commitments are currently earning fees. The remainder will become fee bearing once the capital is invested.
- We invested approximately $14.6 billion of third-party fund capital (including private funds and co-investments) during the quarter.
- $20.4 billion of third-party capital is committed to investments not yet funded as at June 30, 2022 (renewable power and transition – $0.6 billion; infrastructure – $3.4 billion; private equity – $6.3 billion; real estate – $8.9 billion; and credit and other – $1.2 billion).

See endnotes.

Summary of Results – Funds from Operations

We generated $6.1 billion in FFO over the last twelve months, including $1.4 billion in the current quarter

FOR THE PERIODS ENDED JUN. 30 (MILLIONS, EXCEPT PER SHARE AMOUNTS)	Three Months 2022	Three Months 2021	LTM 2022	LTM 2021	Page Ref.
Operating FFO					
Fee-related earnings					
Base management fees	**$ 894**	$ 726	**$ 3,341**	$ 2,769	pages 14-16
Incentive distributions (“IDRs”)	**84**	84	**315**	322	
Transaction and advisory fees	**15**	1	**56**	20	
Total fee revenues	**993**	811	**3,712**	3,111	
Direct costs	**(433)**	(369)	**(1,604)**	(1,373)	
Fee-related earnings before performance fees	**560**	442	**2,108**	1,738	
Performance fees	**—**	79	**78**	79	
Fee-related earnings not attributable to BAM	**(35)**	(38)	**(157)**	(138)	
Fee-related earnings	**525**	483	**2,029**	1,679	page 14
Invested capital					
Perpetual affiliates	**685**	459	**2,704**	1,703	page 30
Corporate cash and financial assets	**(31)**	20	**(57)**	336	page 31
	654	479	**2,647**	2,039	
BBU performance fee, net to BAM	**—**	(51)	**(50)**	(51)	page 30
	654	428	**2,597**	1,988	
Insurance solutions	**46**	3	**85**	7	page 31
Other investments	**103**	43	**370**	396	page 31
Corporate activities					
Corporate interest expense	**(124)**	(106)	**(465)**	(418)	
Corporate costs and taxes	**(50)**	(38)	**(178)**	(157)	
	(174)	(144)	**(643)**	(575)	page 27
	629	330	**2,409**	1,816	
Total operating FFO	**1,154**	813	**4,438**	3,495	
Realized carried interest, net					
Realized carried interest	**99**	335	**1,099**	1,492	
Direct costs	**(40)**	(109)	**(509)**	(637)	
	59	226	**590**	855	page 17
Realized carried interest, net, not attributable to BAM	**(11)**	(21)	**(127)**	(169)	
	48	205	**463**	686	
Disposition gains	**197**	582	**1,232**	3,375	page 28
Total funds from operations[1,2]	**$ 1,399**	$ 1,600	**$ 6,133**	$ 7,556	
Per share					
Total operating FFO[3]	**$ 0.69**	$ 0.50	**$ 2.64**	$ 2.17	
Total FFO[3]	**0.84**	1.01	**3.69**	4.80	

See endnotes.

Funds from Operations and Net Income

FOR THE PERIODS ENDED JUN. 30 (MILLIONS, EXCEPT PER SHARE AMOUNTS)	Three Months				LTM			
	FFO[1]		Net Income[1]		FFO[1]		Net Income[1]	
	2022	2021	**2022**	2021	**2022**	2021	**2022**	2021
Operating activities								
Fee-related earnings	**$ 525**	$ 483	**$ 525**	$ 483	**$ 2,029**	$ 1,679	**$ 2,029**	$ 1,679
Invested capital	**629**	330	**629**	330	**2,409**	1,816	**2,409**	1,816
	1,154	813	**1,154**	813	**4,438**	3,495	**4,438**	3,495
Realized carried interest, net	**48**	205	**48**	205	**463**	686	**463**	686
Realized disposition gains[2,3]	**197**	582	**27**	91	**1,232**	3,375	**338**	172
Fair value changes[3]	**—**	—	**(65)**	225	**—**	—	**1,143**	404
Depreciation and amortization[3]	**—**	—	**(516)**	(449)	**—**	—	**(1,959)**	(1,794)
Deferred income taxes[3]	**—**	—	**(58)**	(69)	**—**	—	**(559)**	(97)
	$ 1,399	$ 1,600	**$ 590**	$ 816	**$ 6,133**	$ 7,556	**$ 3,864**	$ 2,866
Per share[4]	**$ 0.84**	$ 1.01	**$ 0.34**	$ 0.49	**$ 3.69**	$ 4.80	**$ 2.30**	$ 1.76

See endnotes.

Detailed Analysis

Asset Management Operating Results

FEE-BEARING CAPITAL

AS AT AND FOR THE PERIODS ENDED JUN. 30, 2022 (MILLIONS)	Three Months						LTM					
	Renewable Power & Transition	Infrastructure	Private Equity	Real Estate	Credit and Other	**Total**	Renewable Power & Transition	Infrastructure	Private Equity	Real Estate	Credit and Other	**Total**
Opening	$ 51,468	$ 75,530	$35,917	$ 84,704	$130,968	**$378,587**	$ 40,530	$ 63,881	$31,514	$ 70,891	$118,250	**$325,066**
Inflows	2,916	4,283	4,274	4,073	22,300	**37,846**	12,979	13,491	8,301	17,580	47,417	**99,768**
Outflows	—	—	—	(157)	(5,630)	**(5,787)**	—	—	—	(451)	(14,608)	**(15,059)**
Distributions	(572)	(1,052)	(594)	(1,144)	(487)	**(3,849)**	(1,732)	(4,748)	(990)	(4,389)	(1,872)	**(13,731)**
Market valuation	(3,785)	(4,341)	(999)	1,225	(7,234)	**(15,134)**	(1,681)	1,391	(1,221)	4,051	(7,666)	**(5,126)**
Other	11	(256)	356	645	(663)	**93**	(58)	149	1,350	1,664	(2,267)	**838**
Change	(1,430)	(1,366)	3,037	4,642	8,286	**13,169**	9,508	10,283	7,440	18,455	21,004	**66,690**
End of period	$ 50,038	$ 74,164	$38,954	$ 89,346	$139,254	**$391,756**	$ 50,038	$ 74,164	$38,954	$ 89,346	$139,254	**$391,756**

Fee-bearing capital increased by $13 billion during the quarter and $67 billion during the LTM

Inflows to fee-bearing capital represent additional capital which began earning fees in the period.

Renewable power and transition: The $1.4 billion decrease in the quarter is driven by the lower market capitalization of our perpetual affiliate (BEP) and distributions to unitholders during the quarter. This was partially offset by additional capital raised for our transition fund, which had a $15 billion final close in the quarter.

Infrastructure: The $1.4 billion decrease in the quarter is driven by the decrease in the market capitalization of our perpetual affiliate (BIP) and distributions to unitholders during the quarter. This was partially offset by additional capital raised from follow-on investments within our third flagship fund and capital deployed within our perpetual infrastructure fund.

Private equity: The $3.0 billion increase in the quarter is predominantly due to contributions from our sixth flagship private equity fund. This was partially offset by the lower market capitalization of our perpetual affiliate (BBU) and capital returned to investors.

Real estate: The $4.6 billion increase in the quarter is primarily driven by incremental capital raised for our fourth flagship real estate fund and capital deployed across various other fund strategies.

Credit and other: The $8.3 billion increase was driven by inflows of $22 billion, of which $16 billion related to the acquisition of American National, with the remainder coming from capital deployed within our credit strategies. This was partially offset by lower market valuations of our liquid strategies during the period.

Fee-bearing capital includes Brookfield capital of $48.7 billion (Mar. 31, 2022 – $51.3 billion) in perpetual strategies and $4.4 billion (Mar. 31, 2022 – $4.9 billion) in long-term private funds. Base management fee revenues include $143 million (Jun. 30, 2021 – $111 million) and $573 million (Jun. 30, 2021 – $410 million) earned on Brookfield capital for the three months and LTM, respectively.

Of our total fee-bearing capital of $392 billion, $315 billion or 80% is long-dated or perpetual in nature

AS AT JUN. 30, 2022 (MILLIONS)	Renewable Power & Transition	Infrastructure	Private Equity	Real Estate	Credit and Other	**Total**
Long-Term Private Funds[1]	$ 23,221	$ 30,338	$ 31,683	$ 55,536	$ 41,196	**$ 181,974**
Perpetual Strategies[1]	26,817	43,826	7,271	33,810	21,256	**132,980**
Liquid Strategies	—	—	—	—	76,802	**76,802**
Total	$ 50,038	$ 74,164	$ 38,954	$ 89,346	$ 139,254	**$ 391,756**

1. Long-term private funds and perpetual strategies include $28.3 billion of co-investment capital (Mar. 31, 2022 – $27.0 billion, Jun. 30, 2021 – $22.4 billion), which can earn minimal or no base fees.

Asset Management Operating Results cont’d

FEE-RELATED EARNINGS

FOR THE PERIODS ENDED JUN. 30 (MILLIONS)	Three Months			LTM		
	2022	2021	Variance	**2022**	2021	Variance
Base management fees						
Renewable power and transition	**$ 132**	$ 98	$ 34	**$ 449**	$ 416	$ 33
Infrastructure	**185**	162	23	**713**	627	86
Private equity	**103**	91	12	**394**	354	40
Real estate	**237**	167	70	**864**	595	269
Credit and other	**237**	208	29	**921**	777	144
Incentive distributions	**84**	84	—	**315**	322	(7)
Transaction and advisory fees	**15**	1	14	**56**	20	36
	993	811	182	**3,712**	3,111	601
Direct costs						
Compensation and benefits	**(332)**	(287)	(45)	**(1,231)**	(1,056)	(175)
Other expenses	**(101)**	(82)	(19)	**(373)**	(317)	(56)
	(433)	(369)	(64)	**(1,604)**	(1,373)	(231)
Fee-related earnings before performance fees[1]	**560**	442	118	**2,108**	1,738	370
Performance fees	**—**	79	(79)	**78**	79	(1)
Total fee-related earnings	**$ 560**	$ 521	$ 39	**$ 2,186**	$ 1,817	$ 369
Margin before performance fees	***56%***	*55%*		***57%***	*56%*	
Fee-related earnings attributable to:						
Brookfield	**$ 525**	$ 483	$ 42	**$ 2,029**	$ 1,679	$ 350
Non-Brookfield shareholders[2]	**35**	38	(3)	**157**	138	19
Total fee-related earnings	**$ 560**	$ 521	$ 39	**$ 2,186**	$ 1,817	$ 369
Margin before performance fees – at our share[3]	***59%***	*57%*		***59%***	*58%*	
Margin including performance fees – at our share[3]	***59%***	*61%*		***60%***	*60%*	

1. Oaktree contributed fee-related earnings of $102 million (2021 – $101 million) for the three months ended June 30, 2022, and $416 million (2021 – $361 million) over the LTM. Oaktree standalone margin was 35% for the quarter (2021 – 38%) and 37% for the LTM (2021 – 37%).
2. See endnotes.
3. Margin at our share is calculated using our 64% share of Oaktree’s fee-related earnings for the three months ended June 30, 2022, and 63% for the LTM. Brookfield margin on a standalone basis was 65% for the three months ended June 30, 2022 (2021 – 62%) and 65% for the LTM ended June 30, 2022 (2021 – 65%).

Renewable power and transition: Fee revenues were higher as a result of capital raised for our transition fund over the LTM, as well as capital market issuances at BEP. This was partially offset by the decreased market capitalization of BEP.

Infrastructure: Fee revenues were higher as a result of capital market issuances and the market appreciation of BIP and capital deployed within our perpetual infrastructure fund.

Private equity: Fee revenues over the LTM were higher driven by the increased market capitalization of BBU and contributions from our sixth flagship fund.

Real estate: Fee revenues increased due to contributions from our fourth flagship fund, a higher net asset value for BPG compared to the LTM period and capital deployed across our private funds.

Credit and other: Fee revenues increased due to capital deployed within our closed-end funds, particularly our flagship opportunistic credit fund. These increases are partially offset by lower fees from our liquid strategies as a result of reduced valuations.

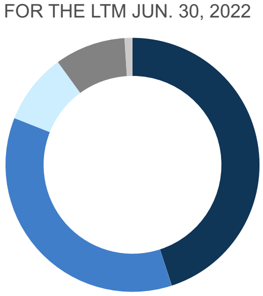
Incentive distributions: Reflects increased distribution levels at BIP and BEP, offset by the absence of BPY’s IDR following its privatization in Q3 2021.

Performance fees: Fees relate to BBU and BBUC, and represent 20% of the unit price increase over the previous threshold.

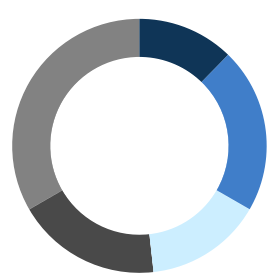
Direct costs: Direct costs increased to support the continued growth of the franchise including new product development and the broadening of our distribution capabilities.

Fee Revenue Diversification

FOR THE LTM JUN. 30, 2022



- Long-term private funds base fees 45%
- Perpetual strategies base fees 36%
- Liquid strategies base fees 9%
- Incentive distributions 9%
- Transaction fees 1%



- Renewable power and transition 14%
- Infrastructure 24%
- Private equity 17%
- Real estate 21%
- Credit and Other 24%

Fee Revenues

RENEWABLE POWER AND TRANSITION

AS AT AND FOR THE PERIODS ENDED JUN. 30 (MILLIONS)	Three Months		LTM		Annualized[1]	
	2022	2021	**2022**	2021	**2022**	2021
Base management fees						
Long-term private funds						
Flagship funds	**$ 51**	$ 22	**$ 144**	$ 94	**$ 201**	$ 93
Co-investment and other funds	**5**	4	**18**	16	**21**	17
	56	26	**162**	110	**222**	110
Perpetual strategies						
BEP[2]	**65**	72	**276**	297	**258**	288
Co-investment and other funds	**—**	—	**—**	8	**—**	8
	65	72	**276**	305	**258**	296
Total base management fees	**121**	98	**438**	415	**480**	406
Catch-up fees	**11**	—	**11**	1	**—**	—
Incentive distributions	**24**	20	**88**	74	**92**	80
Transaction and advisory fees	**1**	1	**2**	2	**2**	2
	$ 157	$ 119	**$ 539**	$ 492	**$ 574**	$ 488

1. Refer to details on annualized fees on page 20. Renewable power and transition fees include fees allocated to renewable power investments in infrastructure funds.
2. BEP fee-bearing capital as at June 30, 2022 is $27 billion.

INFRASTRUCTURE

AS AT AND FOR THE PERIODS ENDED JUN. 30 (MILLIONS)	Three Months		LTM		Annualized[1]	
	2022	2021	**2022**	2021	**2022**	2021
Base management fees						
Long-term private funds						
Flagship funds	**$ 56**	$ 55	**$ 215**	$ 214	**$ 231**	$ 222
Co-investment and other funds	**9**	9	**35**	36	**39**	48
	65	64	**250**	250	**270**	270
Perpetual strategies						
BIP[2]	**105**	93	**432**	358	**421**	372
Co-investment and other funds	**15**	5	**31**	14	**58**	14
	120	98	**463**	372	**479**	386
Total base management fees	**185**	162	**713**	622	**749**	656
Catch-up fees	**—**	—	**—**	5	**—**	—
Incentive distributions	**60**	50	**227**	192	**238**	197
Transaction and advisory fees	**3**	—	**35**	14	**25**	18
	$ 248	$ 212	**$ 975**	$ 833	**$ 1,012**	$ 871

1. Refer to details on annualized fees on page 20. Renewable power and transition fees include fees allocated to renewable power investments in infrastructure funds.
2. BIP fee-bearing capital as at June 30, 2022 is $34 billion.

PRIVATE EQUITY

AS AT AND FOR THE PERIODS ENDED JUN. 30 (MILLIONS)	Three Months		LTM		Annualized[1]	
	2022	2021	**2022**	2021	**2022**	2021
Base management fees						
Long-term private funds						
Flagship funds	**$ 30**	$ 25	**$ 107**	$ 108	**$ 156**	$ 107
Co-investment and other funds	**50**	43	**185**	174	**198**	172
	80	68	**292**	282	**354**	279
Perpetual strategies						
BBU[2]	**23**	23	**99**	72	**91**	92
Co-investment and other funds	**—**	—	**—**	—	**—**	1
	23	23	**99**	72	**91**	93
Total base management fees	**103**	91	**391**	354	**445**	372
Catch-up fees	**—**	—	**3**	—	**—**	—
Performance fees	**—**	79	**78**	79	**113**	90
Transaction and advisory fees	**3**	—	**11**	4	**7**	13
	$ 106	$ 170	**$ 483**	$ 437	**$ 565**	$ 475

1. Refer to details on annualized fees on page 20.
2. BBU fee-bearing capital as at June 30, 2022 is $7 billion.

Fee Revenues cont'd

REAL ESTATE

AS AT AND FOR THE PERIODS ENDED JUN. 30 (MILLIONS)	Three Months 2022	Three Months 2021	LTM 2022	LTM 2021	Annualized[1] 2022	Annualized[1] 2021
Fee revenues						
Long-term private funds						
Flagship funds	**$ 87**	$ 52	**$ 332**	$ 211	**$ 367**	$ 260
Co-investment and other funds	**55**	44	**201**	154	**210**	177
	142	96	**533**	365	**577**	437
Perpetual strategies						
BPG[2]	**58**	57	**227**	182	**229**	245
Co-investment and other funds	**27**	14	**87**	48	**113**	62
	85	71	**314**	230	**342**	307
Total base management fees	**227**	167	**847**	595	**919**	744
Catch-up fees	**10**	—	**17**	—	**—**	—
Incentive distributions	**—**	14	**—**	56	**—**	—
	$ 237	$ 181	**$ 864**	$ 651	**$ 919**	$ 744

1. Refer to details on annualized fees on page 20.
2. BPG fee-bearing capital as at June 30, 2022 is $22 billion.

CREDIT AND OTHER

AS AT AND FOR THE PERIODS ENDED JUN. 30 (MILLIONS)	Three Months 2022	Three Months 2021	LTM 2022	LTM 2021	Annualized[1] 2022	Annualized[1] 2021
Base management fees						
Long-term private funds	**$ 127**	$ 100	**$ 470**	$ 356	**$ 482**	$ 391
Perpetual strategies	**42**	34	**158**	132	**198**	136
Liquid strategies[2]	**68**	74	**293**	289	**252**	303
Total base management fees	**237**	208	**921**	777	**932**	830
Transaction and advisory fees	**8**	—	**8**	—	**4**	—
Total fee revenues	**$ 245**	$ 208	**$ 929**	$ 777	**$ 936**	$ 830

1. Refer to details on annualized fees on page 20.
2. Represents open-end funds within our credit strategy, the net share of DoubleLine's fee revenues, and our public securities group.

INCENTIVE DISTRIBUTIONS

We receive a portion of increases in the distributions by BIP and BEP as an incentive to increase FFO per unit, which should lead to increased unitholder distributions over time.

Annualized Incentive Distributions

AS AT JUN. 30, 2022 (MILLIONS, EXCEPT PER UNIT)	Per Unit: Annualized Distributions	Per Unit: Distribution Hurdles	Per Unit: Incentive Distributions[1]	Units Outstanding	Annualized Incentive Distributions
Brookfield Infrastructure (BIP)[2]	$ 1.44	$ 0.49 / $ 0.53	15% / 25%	771.2	$ 238
Brookfield Renewable (BEP)[3]	1.28	0.80 / 0.90	15% / 25%	645.9	92
					$ 330

1. Incentive distributions equate to 18% and 33% of limited partner distribution increases over the first and second hurdles, respectively.
2. Incentive distributions from Brookfield Infrastructure are earned on distributions made by BIP and BIPC.
3. Incentive distributions from Brookfield Renewable are earned on distributions made by BEP and BEPC.

Carried Interest

Carried interest represents our share, as manager, of investment performance in our private funds

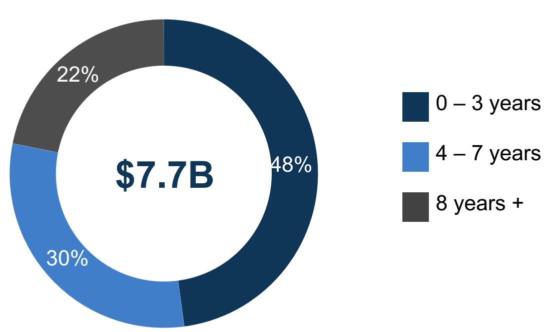
We generated carried interest of $3.8 billion during the LTM, taking our total gross unrealized carried interest balance to $8.6 billion

UNREALIZED CARRIED INTEREST CONTINUITY[1,2]

AS AT AND FOR THE PERIODS ENDED JUN. 30, 2022 (MILLIONS)	Three Months			LTM		
	Unrealized Carried Interest	Direct Costs	Net	Unrealized Carried Interest	Direct Costs	Net
Accumulated unrealized, beginning of period	$ 8,404	$ (2,753)	$ 5,651	$ 6,208	$ (2,292)	$ 3,916
In period change						
Generated in period	553	(123)	430	3,798	(1,053)	2,745
Foreign currency revaluation	(225)	55	(170)	(274)	55	(219)
	328	(68)	260	3,524	(998)	2,526
Less: realized	(99)	40	(59)	(1,099)	509	(590)
	229	(28)	201	2,425	(489)	1,936
Accumulated unrealized, end of period	**8,633**	**(2,781)**	**5,852**	**8,633**	**(2,781)**	**5,852**
Carried interest not attributable to BAM shareholders	(936)	483	(453)	(936)	483	(453)
Accumulated unrealized, end of period, net	**$ 7,697**	**$ (2,298)**	**$ 5,399**	**$ 7,697**	**$ (2,298)**	**$ 5,399**

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

Unrealized Carried Interest – Expected Realization Timeline
AS AT JUN. 30. 2022



- $3.7 billion of carried interest is expected to be realized within the next three years

THREE MONTHS

- Accumulated unrealized carried interest before foreign exchange and associated costs increased $0.6 billion during the current quarter, primarily related to higher valuations in our flagship real estate and credit funds.
- We realized $99 million of carried interest in the quarter, primarily from realizations in our credit and real estate funds.

LTM

- Unrealized carried interest before foreign exchange and associated costs increased by $3.8 billion over the LTM period, driven by valuation increases across a number of our strategies.
- We realized $1.1 billion of carried interest over the LTM as we returned capital to clients across a number of flagship and other funds.

Target Carried Interest

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

AS AT JUN. 30, 2022 (MILLIONS)	Carry Eligible Capital[1]	Gross Target Return[2,3]	Average Carried Interest	Annualized Target Carried Interest[4]
Opportunistic	$ 28,463	18% – 25%	~20%	$ 990
Value add	1,604	10% – 15%	~20%	39
Credit, core plus and other	45,496	10% – 15%	~15%	841
Oaktree	42,186	10% – 20%	~20%	1,076
	117,749			2,946
Uncalled fund commitments[5,6]				
Brookfield	41,810			972
Oaktree	16,147			345
Total carry eligible capital/target carried interest	**$ 175,706**			4,263
Target carried interest not attributable to BAM shareholders[7]				(558)
				$ 3,705

1. As at June 30, 2022, $117.7 billion of carry eligible capital has been invested and an additional $58.0 billion of committed capital will become carry eligible once invested.
2. Carried interest is generated once a private fund exceeds its preferred return typically ranging from 5% – 9%. It will typically go through a catch-up period until the manager and limited partner (LP) are earning carry at their respective allocation.
3. Gross target return is before annual fund management fees ranging from 90 bps for core plus funds to 200 bps for certain opportunistic funds.
4. Based on carry eligible capital.
5. Uncalled fund commitments from carry eligible funds.
6. Target carry on uncalled fund commitments is discounted for two years at 10%, reflecting gross target return and average carried interest rate for uncalled fund commitments.
7. Includes Oaktree target carried interest attributable to the 36% of Oaktree not held by Brookfield.

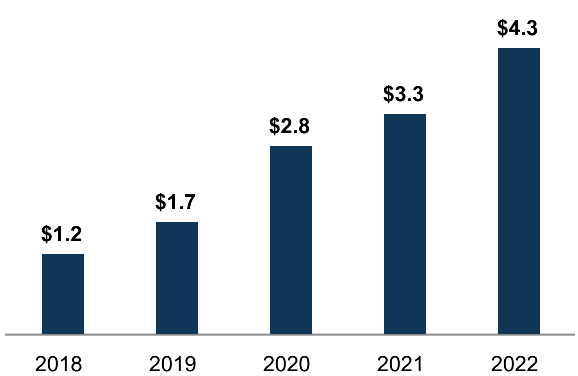
ANNUALIZED TARGET CARRIED INTEREST

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

Target carried interest on capital currently invested is $2.9 billion per annum, and $1.3 billion on capital not yet invested. Total target carried interest is $3.7 billion at our share, or $2.4 billion net of costs.

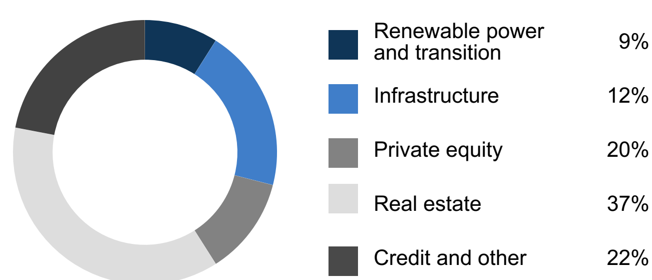
Target Carried Interest

AS AT JUN. 30 (BILLIONS)



Target Carry Diversification

AS AT JUN. 30, 2022



Private Funds Carried Interest

Virtually all of our funds are tracking to meet or exceed their preferred return hurdle

The below returns are actuals and illustrate how we are tracking toward target:

AS AT JUN. 30, 2022 (MILLIONS)	Strategy	Vintage[1]	Target Gross IRR[2,3]	Gross Actual IRR[4]	Uncalled Fund Commitments[5]	Invested < 3 years	Invested > 3 years	Total	Accumulated Unrealized Carried Interest[6]
Real estate	Opportunistic – BSREP	2013 – 2019	20%	20%	$ 10,235	$ 7,498	$ 10,274	**$ 28,007**	**$ 1,965**
	Credit – BREF	2005 – 2021	12% – 15%	10%	2,805	1,319	849	**4,973**	**85**
	Other[7]	2008 – 2018			2,603	10,259	6,430	**19,292**	**454**
Infrastructure	Core Plus – BIF[8]	2010 – 2020	13% – 15%	16%	5,757	15,915	5,960	**27,632**	**2,456**
	Other[7,8]	2008 – 2022			1,297	2,746	264	**4,307**	**129**
Renewable power and transition	Core Plus – BGTF[9]	2022	13% – 15%	n/m	9,230	1,065	—	**10,295**	**—**
Private equity	Opportunistic – BCP	2007 – 2019	20%	27%	4,917	4,995	2,005	**11,917**	**777**
	Other[7]	2015 – 2022			4,966	3,982	2,002	**10,950**	**167**
Credit and other					16,147	28,485	13,701	**58,333**	**1,664**
Total private fund carry eligible capital					57,957	$ 76,264	$ 41,485	**175,706**	**$ 7,697**
Non-carry eligible capital[10]					15,898			**107,943**	
					$ 73,855			**$ 283,649**	

1. Year of final close.
2. Gross target return is before annual fund management fees ranging from 90 bps for core plus funds to 200 bps for certain opportunistic funds.
3. Carried interest is generated once a private fund exceeds its preferred return. It will typically go through a catch-up period until the manager and LP are earning carry at their respective allocation.
4. On existing carry eligible funds, excluding perpetual funds.
5. Uncalled fund commitments from carry eligible funds. Additional $15.9 billion of uncalled fund commitments relate to funds not eligible to earn carry.
6. Total accumulated unrealized carried interest includes Oaktree at our 64% share.
7. Other represents funds and co-investments across the asset classes.
8. Out of $7.1 billion of total uncalled fund commitments in infrastructure, $2.2 billion are related to renewable power and transition's investments.
9. BGTF held its final close this year. Typically the performance measurement date is within 12 months of acquisition. Accordingly, such performance measures are not meaningful (n/m).
10. Non-carry eligible capital includes various co-investments, separately managed accounts and funds that are not entitled to carry.

Annualized Fees and Target Carried Interest

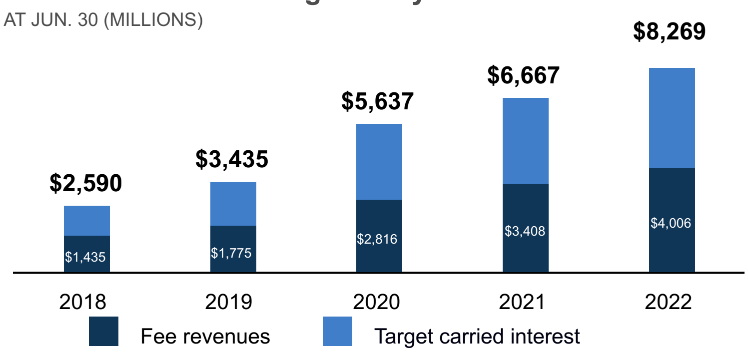
ANNUALIZED FEES AND TARGET CARRY

AS AT (MILLIONS)	Jun. 30, 2022	Dec. 31, 2021	Jun. 30, 2021
Base management fees			
Renewable power and transition	$ **480**	$ 446	$ 406
Infrastructure	**749**	713	656
Private equity	**445**	392	372
Real estate	**919**	836	744
Credit and other	**932**	929	830
Incentive distributions[1]	**330**	330	277
	3,855	3,646	3,285
Performance fee[2]	**113**	113	90
Transaction and advisory[3]	**38**	18	33
Fee revenues	**4,006**	3,777	3,408
Target carried interest[4]			
Brookfield funds	**2,842**	2,618	1,901
Oaktree funds	**1,421**	1,435	1,358
	4,263	4,053	3,259
	8,269	7,830	6,667
Revenues not attributable to BAM shareholders			
Management fees	**(404)**	(434)	(401)
Target carried interest	**(558)**	(610)	(516)
	$ **7,307**	$ 6,786	$ 5,750

- We have approximately $36 billion of additional capital not in fee-bearing capital today that will earn approximately $360 million of fees and $260 million of target carried interest once invested.
- BBU and BBUC's performance fee is calculated as 20% of the increase in weighted average unit price for the quarter, over the highest previous threshold. There are 144.3 million BBU units outstanding and 73.0 million BBUC shares outstanding and the current threshold is $31.53.
- We include base fees on the capital invested by us in our perpetual affiliates in order to present operating margins and investment returns on a consistent basis. FFO from the associated invested capital is shown net of these fees.
- We use a margin range of 55% – 65% on Brookfield fee revenue and a range of 25% – 35% on Oaktree fee revenue for planning purposes.
- We use a margin range of 65% – 75% on Brookfield carried interest and a range of 45% – 55% on Oaktree carried interest for planning purposes.

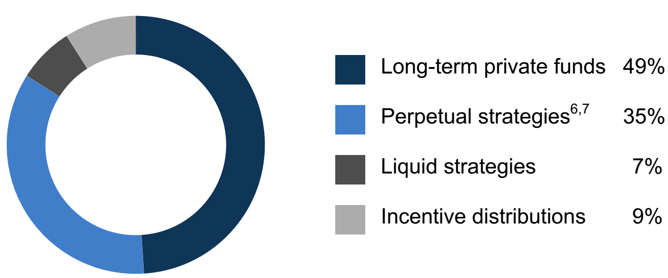
Annualized Fees and Target Carry

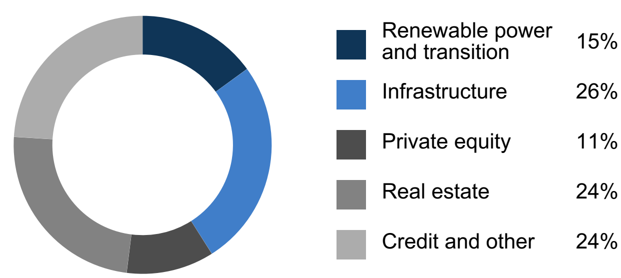
AS AT JUN. 30 (MILLIONS)



Fee Revenue Diversification[5]

AS AT JUN. 30, 2022





1,2,3,4,5,6,7. See endnotes

Private Fund Listing[1]

AS AT JUN. 30, 2022 (MILLIONS, USD UNLESS OTHERWISE NOTED)		Committed Capital[2]	Brookfield Participation[2]	Year[3]
BROOKFIELD REAL ESTATE FUNDS				
Opportunistic				
Real Estate Turnaround	$	5,570	18%	2010
Strategic Real Estate Partners I[4]		4,350	31%	2013
Strategic Real Estate Partners II[4]		9,000	26%	2016
Strategic Real Estate Partners III[4]		15,000	25%	2019
Thayer VI		306	48%	2014
Opportunity Zone		1,011	—%	2019
Value Add				
U.S. Multifamily Value Add II	$	805	37%	2014
U.S. Multifamily Value Add III		1,005	30%	2018
Core Plus				
U.S. Office	$	2,200	83%	2006
DTLA		1,100	45%	2013
Premier Real Estate Partners[5]		4,050	10%	2016
Premier Real Estate Partners Australia[5]	A $	984	20%	2018
European Real Estate Partnership[5]	€	934	20%	2020
Single Family Rental		300	26%	2020
BROOKFIELD INFRASTRUCTURE FUNDS				
Core Plus				
Global Infrastructure I[4]	$	2,660	25%	2010
Global Infrastructure II[4]		7,000	40%	2013
Global Infrastructure III[4]		14,000	29%	2016
Global Infrastructure IV[4]		20,000	25%	2020
Global Infrastructure IV Renewable[4]		748	25%	2020
Core				
Super-Core Infrastructure Partners[5]	$	7,098	1%	2018
BROOKFIELD RENEWABLE POWER & TRANSITION FUNDS				
Transition				
Global Transition[4]		14,632	18%	2022
BROOKFIELD PRIVATE EQUITY FUNDS				
Opportunistic				
Capital Partners II[4]	C $	1,000	40%	2007
Capital Partners III[4]		1,000	25%	2012
Capital Partners IV[4]		4,000	26%	2016
Capital Partners V[4]		9,000	33%	2019
Growth II		516	19%	2021
Brookfield Special Investments		2,244	27%	2022
BROOKFIELD CREDIT FUNDS				
Credit Funds				
Real Estate Finance I	$	600	33%	2005
Real Estate Finance IV		1,375	18%	2014
Real Estate Finance V		2,949	14%	2017
Real Estate Finance VI		4,017	10%	2021
Senior Mezzanine Real Estate Finance[5]		1,239	1%	2017
Infrastructure Debt I		884	17%	2017
Infrastructure Debt – Euro	€	202	30%	2018
Infrastructure Debt – Euro II	€	132	23%	2022
Infrastructure Debt II		2,701	13%	2020
Peninsula Brookfield India Real Estate		95	—%	2013

1. Excludes Oaktree funds. Includes discretionary funds managed by Brookfield Asset Management Inc. or a management affiliate thereof and all investments made by a consortium of investors formed and managed by Brookfield. Excludes direct investments made through managed accounts, joint ventures, co-investments, publicly perpetual affiliates or investment funds for which Brookfield did not serve as the manager during the investment period. Also excludes closed-end funds currently in the market and fully divested funds.
2. Inclusive of Brookfield commitments; Brookfield participation includes commitments from Brookfield directly held as well as BPG, BEP, BIP and BBU.
3. Year of final close. For perpetual funds, year of first close.
4. Flagship funds.
5. Perpetual funds.

Capital Invested or Committed

We invested or committed $99 billion of capital during the LTM

CAPITAL INVESTED OR COMMITTED (FUNDING SOURCE)

FOR THE LTM ENDED JUN. 30 (MILLIONS)	Renewable Power and Transition	Infrastructure	Private Equity	Real Estate	Credit and Other	Total
Capital Invested						
Perpetual strategies[1]	$ 634	$ 4,196	$ 3,431	$ 4,786	$ 4,496	**$ 17,543**
Long-term private funds[2]	1,677	8,863	4,940	9,910	12,872	**38,262**
Co-investments[2]	19	5,471	1,863	84	879	**8,316**
Direct[3]	—	400	—	9,200	5,295	**14,895**
Total invested	2,330	18,930	10,234	23,980	23,542	**79,016**
Capital Committed						
New commitments entered[4]	1,566	5,482	9,163	12,718	6,095	**35,024**
Previous commitments that were invested in the current period[4]	(287)	(4,807)	(1,580)	(7,357)	(862)	**(14,893)**
Total committed	1,279	675	7,583	5,361	5,233	**20,131**
Total invested or committed[4]	$ 3,609	$ 19,605	$ 17,817	$ 29,341	$ 28,775	**$ 99,147**

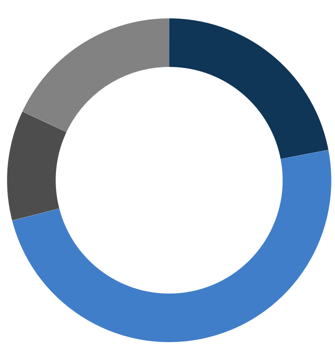
1. Includes investments made by perpetual affiliates (BEP, BIP, BBU and BPG) and Oaktree on their balance sheets, or investments in perpetual private funds.
2. Reflects third-party investments in long-term private funds managed by Brookfield and Oaktree.
3. Investments made by Brookfield in financial assets or on balance sheet assets.
4. New commitments represent those commitments entered into during the period. Invested commitments represent the amounts invested during the period for commitments which were entered into during the prior period (shown as an outflow to commitments and an inflow to invested). Where capital was both committed and invested in the same period, it is presented as invested only.

CAPITAL INVESTED (GEOGRAPHY)

FOR THE LTM ENDED JUN. 30 (MILLIONS)	Renewable Power and Transition	Infrastructure	Private Equity	Real Estate	Credit and Other	Total
North America	$ 1,156	$ 9,052	$ 5,611	$ 17,813	$ 18,123	**$ 51,755**
South America	493	381	637	345	494	**2,350**
Europe	332	3,576	3,071	4,554	2,356	**13,889**
Asia and other	349	5,921	915	1,268	2,569	**11,022**
Total invested	$ 2,330	$ 18,930	$ 10,234	$ 23,980	$ 23,542	**$ 79,016**

Capital Invested (by capital type)

FOR THE LTM ENDED JUN. 30, 2022



Perpetual Strategies	22%	Long-term private funds	49%
Co-investments	11%	Direct	18%

SIGNIFICANT INVESTMENTS

- Opportunistic credit investments ($7.4 billion)
- BPY privatization ($6.5 billion)[1]
- AusNet Services ($5.8 billion)
- Inter Pipeline ($4.5 billion)
- American National ($3.6 billion)
- Scientific Games ($2.4 billion)
- FirstEnergy Transmission ($2.0 billion)
- SGN Ltd. ($1.9 billion)
- alstria ($1.7 billion)
- Modulaire ($1.6 billion)
- DexKo ($1.1 billion)

SIGNIFICANT COMMITMENTS

- Homeserve PLC ($5.0 billion)
- Nielsen Holdings ($2.7 billion)
- Uniti ($0.9 billion)

1. Balance represents $3.0B of capital invested in cash, $3.0B of Brookfield shares and $0.5B of BPY preferred shares issued.

Capitalization

Our corporate debt has a weighted-average term to maturity of 13 years, while our recourse debt to corporate capitalization is conservative at 17%.

AS AT JUN. 30, 2022 AND DEC. 31, 2021 (MILLIONS)	Average Rate	Average Term (Years)	Leverage 2022	Leverage 2021
Corporate borrowings				
Term debt	**4.1%**	**13**	**$ 10,739**	$ 9,963
Revolving facilities	**varies[1]**	**4**	**—**	450
Commercial paper	**2.2%**	**<1**	**1,315**	462
Total corporate borrowings			**12,054**	10,875
Perpetual preferred shares[2]	**4.3%**	**perp.**	**4,375**	4,375
Debt and preferred capital			**$ 16,429**	$ 15,250

1. Average rate for revolving credit facilities for December 31, 2021 was 1.1%.
2. Includes $230 million of perpetual subordinated notes issued in November 2020 by a wholly owned subsidiary of Brookfield, included within non-controlling interest.

DEBT TO CAPITALIZATION

AS AT JUN. 30, 2022 AND DEC. 31, 2021 (MILLIONS)	Corporate 2022	Corporate 2021	Consolidated 2022	Consolidated 2021
Corporate borrowings	**$ 12,054**	$ 10,875	**$ 12,054**	$ 10,875
Non-recourse borrowings				
Subsidiary borrowings	**—**	—	**14,919**	13,049
Property specific borrowings	**—**	—	**172,666**	152,008
	12,054	10,875	**199,639**	175,932
Accounts payable and other	**4,991**	5,104	**51,134**	52,546
Deferred income tax liabilities	**399**	299	**20,737**	20,328
Subsidiary equity obligations	**—**	—	**4,788**	4,308
Liabilities associated with assets held for sale	**—**	—	**1,556**	3,148
Equity				
Non-controlling interests	**230**	230	**88,215**	88,386
Preferred equity	**4,145**	4,145	**4,145**	4,145
Common equity	**41,652**	42,210	**41,652**	42,210
	46,027	46,585	**134,012**	134,741
Total capitalization	**$ 63,471**	$ 62,863	**$ 411,866**	$ 391,003
Debt to capitalization[1]	**17%**	16%	**48%**	45%

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

Sources and Uses of Cash

We continue to source significant cash flows from our operations and principal investments

FOR THE PERIODS ENDED JUN. 30 (MILLIONS)	Three Months 2022	Three Months 2021	LTM 2022	LTM 2021
Corporate cash and financial assets, beginning of period	**$ 4,107**	$ 6,234	**$ 6,199**	$ 3,229
Sources				
Distributable earnings, before realizations[1, 2]	**1,009**	802	**3,881**	3,100
Proceeds from realized carry[2]	**56**	180	**387**	360
Dispositions of principal investments[2]	**89**	708	**606**	2,967
	1,154	**1,690**	**4,874**	6,427
Uses				
Share repurchases[3]	**(237)**	(200)	**(491)**	(372)
Dividends paid to common shareholders	**(219)**	(196)	**(847)**	(755)
Capitalization of reinsurance agreements	**—**	—	**(481)**	—
Capital calls for LP investments and other[4]	**(104)**	(1,056)	**(1,466)**	(1,958)
American National acquisition	**(2,609)**	—	**(2,609)**	—
BPY privatization	**—**	—	**(3,426)**	—
Debt/preferred share repayment[5]	**—**	—	**(2,600)**	—
Perpetual affiliate unit/share purchases	**—**	—	**(400)**	(663)
	(3,169)	(1,452)	**(12,320)**	(3,748)
Net financing activities	**959**	(35)	**2,895**	1,090
Other sources / (uses)[6]	**(371)**	(238)	**1,032**	(799)
In-period change	**(1,427)**	(35)	**(3,519)**	2,970
Corporate cash and financial assets, end of period	**$ 2,680**	$ 6,199	**$ 2,680**	$ 6,199

1. Refer to page 32 for reconciliation of IFRS to non-IFRS measures.
2. Subject to timing differences between period when earned and period when cash is received.
3. Includes repurchases of BAM common and preferred shares.
4. This includes cash used to fund capital calls, seed investments and various risk management trades.
5. Relates to cash utilized to opportunistically repay high coupon debt and preferred shares of our perpetual affiliates.
6. Includes adjustments for accrued items, carried interest proceeds subject to clawback, financial asset mark-to-market changes and other items.

Invested Capital – Overview

PERPETUAL INVESTMENTS

Our **perpetual affiliates** are **BEP, BIP, BBU and BPG**, the flagship entities that hold most of the investments in our four largest operating segments. BEP, BIP and BBU are publicly traded in the United States and Canada.

- We own 48% of **Brookfield Renewable Partners** (BEP), one of the world's largest publicly traded renewable power platforms with generating facilities in North America, South America, Europe and Asia.
- We own 27% of **Brookfield Infrastructure Partners** (BIP), one of the largest owners and operators of critical and diverse global infrastructure networks which facilitate the movement and storage of energy, water, freight, passengers and data.
- We own 65% of **Brookfield Business Partners** (BBU), our flagship private equity perpetual strategy that invests primarily in services and industrial companies focused on long-term capital appreciation.
- We own 100% of **Brookfield Property Group** (BPG), a diversified global real estate portfolio that owns, operates and develops one of the largest portfolios of office, retail, multifamily, logistics, hospitality, triple net lease, student housing and manufactured housing assets.

Our **corporate cash and financial assets** portfolio includes corporate cash, assets held as part of our liquidity management operations, seeding investments in new strategies and financial contracts to manage market risk.

OTHER INVESTMENTS

- **Insurance solutions:** our share of investments in our insurance business, including its stake in American National.
- **Residential:** in North America, we develop land for building homes or selling lots to other homebuilders while in Brazil we develop and construct residential and commercial towers.
- **Energy contracts:** our contractual arrangement with BEP to purchase power generated by certain North American hydro assets at a fixed price that is then resold on a contracted or uncontracted basis.
- **Other:** We have an approximate 3% interest in Vistra. In addition, we have direct investments in various operating companies within the Private Equity segment and our share of Oaktree's balance sheet investments. We owned investments in sustainable resources, mainly timber, and sold our remaining stake in the business in the second quarter of 2022.

CORPORATE ACTIVITIES

- Our **corporate borrowings** reflect the amount of recourse debt held in the corporation.
- Net **working capital** includes accounts receivable, accounts payable, other assets and other liabilities, including deferred tax assets and liabilities; FFO includes **corporate costs and cash taxes.**
- **Preferred equity** represents permanent, non-participating equity that provides leverage to our common equity.

Invested Capital – Distributions

FOR THE PERIODS ENDED JUN. 30 (MILLIONS)	Three Months 2022	Three Months 2021	LTM 2022	LTM 2021	Annualized
Perpetual affiliates					
BEP	**$ 100**	$ 95	**$ 390**	$ 386	**$ 399**
BIP	**75**	68	**289**	264	**302**
BBU	**9**	6	**27**	24	**35**
BPG	**364**	252	**1,435**	855	**1,483**
	548	421	**2,141**	1,529	**2,219**
Corporate cash and financial assets	**(31)**	20	**(57)**	336	**214**
Other principal investments					
Residential	**100**	42	**365**	151	**365**
Energy contracts[1]	**(23)**	(31)	**(99)**	(93)	**(99)**
Norbord / West Fraser[2]	**—**	—	**1**	26	**—**
Other	**18**	22	**76**	87	**75**
	95	33	**343**	171	**341**
Distributions from investments	**$ 612**	$ 474	**$ 2,427**	$ 2,036	**$ 2,774**

1. Represents losses on fixed price energy contracts provided to BEP by BAM as the average price of energy purchased exceeded the average selling price in the periods presented.
2. Norbord was acquired by West Fraser on February 1, 2021. As part of the transaction, the company’s investment in Norbord was converted into a 19% interest in West Fraser’s outstanding common shares. As at December 31, 2021, we had fully disposed of our stake in the business.

Invested Capital – Operating Results

AS AT JUN. 30, 2022 AND DEC. 31, 2021 AND FOR THE PERIODS ENDED JUN 30 (MILLIONS, EXCEPT PER SHARE AMOUNTS)	Invested Capital		Funds from Operations[1] Three Months		Funds from Operations[1] LTM	
	2022	2021	**2022**	2021	**2022**	2021
Perpetual investments						
Perpetual affiliates						
BEP	**$ 4,446**	$ 4,641	**$ 131**	$ 86	**$ 407**	$ 331
BIP	**2,564**	2,696	**123**	89	**455**	381
BBU[2]	**2,768**	2,803	**211**	79	**793**	509
BPG	**31,542**	32,004	**220**	154	**999**	431
Corporate cash and financial assets[3]	**2,680**	3,522	**(31)**	20	**(57)**	336
	44,000	45,666	**654**	428	**2,597**	1,988
Other investments						
Insurance solutions	**3,868**	988	**46**	3	**85**	7
Residential	**2,077**	2,392	**100**	42	**365**	151
Energy contracts[4]	**603**	623	**(23)**	(31)	**(99)**	(93)
Norbord / West Fraser[5]	**—**	—	**—**	1	**1**	230
Other	**2,100**	2,187	**26**	31	**103**	108
	8,648	6,190	**149**	46	**455**	403
Corporate activities						
Corporate borrowings / Interest expense	**(12,054)**	(10,875)	**(124)**	(106)	**(465)**	(418)
Working capital / Corporate costs and taxes[6]	**679**	699	**(50)**	(38)	**(178)**	(157)
Perpetual preferred shares[7]	**(4,375)**	(4,375)	**—**	—	**—**	—
	(15,750)	(14,551)	**(174)**	(144)	**(643)**	(575)
Invested capital, net / FFO	**$ 36,898**	$ 37,305	**$ 629**	$ 330	**$ 2,409**	$ 1,816
Per share[8]	**$ 22.52**	$ 22.59	**$ 0.37**	$ 0.19	**$ 1.39**	$ 1.08

1. Excludes realized disposition gains.
2. FFO includes the net impact of performance fees paid to BAM of $nil (2021 – $79 million) for the three months ended June 30, 2022 and $78 million (2021 – $79 million) for the LTM.
3. Corporate cash and financial assets is inclusive of $1.8 billion of cash and cash equivalents (December 31, 2021 – $1.9 billion).
4. Represents losses on fixed price energy contracts provided to BEP by BAM as the average price of energy purchased exceeded the average selling price in the periods presented.
5. Norbord was acquired by West Fraser on February 1, 2021. As part of the transaction, the company's investment in Norbord was converted into a 19% interest in West Fraser's outstanding common shares. As at December 31, 2021, we had fully disposed of our stake in the business.
6. Invested capital includes a net deferred income tax asset of $1.6 billion (December 31, 2021 – $1.8 billion); FFO includes current tax expense of $24 million (2021 – $8 million) for the three months ended June 30, 2022 and $62 million (2021 – $46 million) for the LTM.
7. Includes $230 million of perpetual subordinated notes issued in November 2020 by a wholly owned subsidiary of Brookfield, included within non-controlling interest. FFO excludes preferred shares distributions of $39 million (2021 – $41 million) for the three months ended June 30, 2022 and $156 million (2021 – $151 million) for the LTM.
8. Average number of shares outstanding on a fully diluted, time-weighted average basis for the three months and twelve months ended June 30, 2022 were 1,617.1 million and 1,620.9 million, respectively (June 30, 2021 – 1,550.0 million and 1,543.1 million, respectively).

Disposition Gains

FOR THE PERIODS ENDED JUN. 30 (MILLIONS)	Three Months				LTM			
	FFO[1,2]		Net Income[2]		FFO[1,2]		Net Income[2]	
	2022	2021	**2022**	2021	**2022**	2021	**2022**	2021
Renewable power and transition								
BEP secondary offerings	**$ —**	$ —	**$ —**	$ —	**$ —**	$ 1,021	**$ —**	$ —
Other renewable power	**14**	33	**(1)**	56	**17**	64	**(3)**	69
	14	33	**(1)**	56	**17**	1,085	**(3)**	69
Infrastructure								
Enwave	**—**	104	**—**	83	**145**	104	**120**	83
BIPC secondary offering	**—**	—	**—**	—	**—**	140	**—**	—
Other infrastructure	**120**	117	**36**	23	**102**	154	**(7)**	53
	120	221	**36**	106	**247**	398	**113**	136
Private equity								
Norbord / West Fraser[3]	**—**	149	**—**	(44)	**286**	786	**—**	(44)
Other private equity	**31**	94	**—**	(9)	**31**	392	**—**	120
	31	243	**—**	(53)	**317**	1,178	**—**	76
Real estate								
Core	**—**	—	**—**	—	**182**	23	**182**	(6)
Transition and development	**(66)**	(30)	**(66)**	(8)	**(203)**	337	**(221)**	(130)
LP investments	**69**	65	**58**	5	**589**	216	**267**	39
	3	35	**(8)**	(3)	**568**	576	**228**	(97)
Corporate								
Other corporate	**29**	50	**—**	(15)	**83**	138	**—**	(12)
	29	50	**—**	(15)	**83**	138	**—**	(12)
	$ 197	$ 582	**$ 27**	$ 91	**$ 1,232**	$ 3,375	**$ 338**	$ 172

1. FFO includes gains (net of losses) recorded in net income, directly in equity, as well as the realization of appraisal gains recorded in prior years.
2. Net of non-controlling interests.
3. Norbord was acquired by West Fraser on February 1, 2021. As part of the transaction, the company's investment in Norbord was converted into a 19% interest in West Fraser's outstanding common shares. As at December 31, 2021, we had fully disposed of our stake in the business.

Disposition Gains – Principal Investments

FOR THE PERIODS ENDED JUN. 30 (MILLIONS)	Three Months		LTM	
	2022	2021	**2022**	2021
Renewable power and transition				
BEP secondary offering	**$ —**	$ —	**$ —**	$ 1,021
	—	—	**—**	1,021
Infrastructure				
BIPC secondary offering	**—**	—	**—**	140
Other infrastructure	**60**	25	**29**	25
	60	25	**29**	165
Private equity				
Norbord / West Fraser	**—**	149	**286**	786
Other	**19**	—	**19**	—
	19	149	**305**	786
Real estate				
Core	**—**	—	**51**	—
Transitional and development	**(1)**	1	**(4)**	361
LP investments	**22**	—	**103**	4
	21	1	**150**	365
Corporate				
Other corporate	**29**	50	**83**	138
	29	50	**83**	138
Disposition gains from principal investments[1]	**$ 129**	$ 225	**$ 567**	$ 2,475

1. Disposition gains from principal investments are included in DE.

Perpetual Affiliates Results

BEP (NYSE: BEP, TSX: BEP.UN) – 48% ownership interest

AS AT JUN. 30, 2022 AND DEC. 31, 2021 AND FOR THE PERIODS ENDED JUN. 30 (MILLIONS)	Invested Capital 2022	Invested Capital 2021	FFO Three Months 2022	FFO Three Months 2021	FFO LTM 2022	FFO LTM 2021
Attributable to unitholders	**$ 9,203**	$ 9,607	**$ 294**	$ 268	**$ 961**	$ 868
Incentive distributions	**—**	—	**(24)**	(20)	**(88)**	(74)
Non-controlling interests	**(4,757)**	(4,966)	**(139)**	(129)	**(452)**	(399)
Segment reallocation and other[1]	**—**	—	**—**	(33)	**(14)**	(64)
Brookfield's interest	**$ 4,446**	$ 4,641	**$ 131**	$ 86	**$ 407**	$ 331

BIP (NYSE: BIP, TSX: BIP.UN) – 27% ownership interest

AS AT JUN. 30, 2022 AND DEC. 31, 2021 AND FOR THE PERIODS ENDED JUN. 30 (MILLIONS)	Invested Capital 2022	Invested Capital 2021	FFO Three Months 2022	FFO Three Months 2021	FFO LTM 2022	FFO LTM 2021
Attributable to unitholders	**$ 9,108**	$ 9,595	**$ 513**	$ 394	**$ 1,914**	$ 1,588
Incentive distributions	**—**	—	**(60)**	(50)	**(227)**	(191)
Non-controlling interests	**(6,544)**	(6,899)	**(326)**	(246)	**(1,216)**	(996)
Segment reallocation and other[1]	**—**	—	**(4)**	(9)	**(16)**	(20)
Brookfield's interest	**$ 2,564**	$ 2,696	**$ 123**	$ 89	**$ 455**	$ 381

BBU (NYSE: BBU, TSX: BBU.UN) – 65% ownership interest

AS AT JUN. 30, 2022 AND DEC. 31, 2021 AND FOR THE PERIODS ENDED JUN. 30 (MILLIONS)	Invested Capital 2022	Invested Capital 2021	FFO Three Months 2022	FFO Three Months 2021	FFO LTM 2022	FFO LTM 2021
Attributable to unitholders	**$ 4,141**	$ 4,278	**$ 342**	$ 356	**$ 1,324**	$ 1,404
Performance fees	**—**	—	**—**	(79)	**(78)**	(79)
Non-controlling interests	**(1,373)**	(1,475)	**(119)**	(104)	**(441)**	(486)
Segment reallocation and other[1]	**—**	—	**(12)**	(94)	**(12)**	(330)
Brookfield's interest	**$ 2,768**	$ 2,803	**$ 211**	$ 79	**$ 793**	$ 509

BPG – 100% ownership interest

AS AT JUN. 30, 2022 AND DEC. 31, 2021 AND FOR THE PERIODS ENDED JUN. 30 (MILLIONS)	Invested Capital 2022	Invested Capital 2021	FFO Three Months 2022	FFO Three Months 2021	FFO LTM 2022	FFO LTM 2021
Core	**$ 14,725**	$ 15,589	**$ 129**	$ 145	**$ 559**	$ 552
Transitional and Development	**10,917**	10,409	**126**	160	**644**	467
LP Investments	**7,756**	8,223	**84**	39	**351**	105
Corporate	**(1,872)**	(2,233)	**(108)**	(108)	**(462)**	(385)
Attributable to unitholders	**31,526**	31,988	**231**	236	**1,092**	739
Non-controlling interests	**—**	—	**—**	(67)	**(23)**	(246)
Segment reallocation and other[2]	**—**	—	**(11)**	(15)	**(70)**	(62)
Brookfield's interest	**31,526**	31,988	**220**	154	**999**	431
Preferred shares	**16**	16	**—**	—	**—**	—
	$ 31,542	$ 32,004	**$ 220**	$ 154	**$ 999**	$ 431

1. Relates to disposition gains, net of NCI, included in operating FFO.
2. Reflects fee-related earnings and net carried interest reclassified to the asset management segment and asset management expenses not included in operating FFO.

Other Investments

In addition to being invested in our four flagship perpetual affiliates, we hold a number of other investments

CORPORATE CASH AND FINANCIAL ASSETS

AS AT JUN. 30, 2022 AND DEC. 31, 2021 AND FOR THE PERIODS ENDED JUN. 30 (MILLIONS)	Segment	Invested Capital		Funds from Operations			
				Three Months		LTM	
		2022	2021	**2022**	2021	**2022**	2021
Corporate cash and financial assets	Corporate	**$ 2,680**	$ 3,522	**$ (31)**	$ 20	**$ (57)**	$ 336

OTHER INVESTMENTS

AS AT JUN. 30, 2022 AND DEC. 31, 2021 AND FOR THE PERIODS ENDED JUN. 30 (MILLIONS)	Segment	Invested Capital		Funds from Operations			
				Three Months		LTM	
		2022	2021	**2022**	2021	**2022**	2021
Insurance solutions	Corporate	**$ 3,868**	$ 988	**$ 46**	$ 3	**$ 85**	$ 7
Residential development							
North America	Residential	**1,480**	1,892	**80**	31	**347**	143
Brazil and other	Residential	**597**	500	**20**	11	**18**	8
		2,077	2,392	**100**	42	**365**	151
Energy contracts	Renewable Power and Transition	**603**	623	**(23)**	(31)	**(99)**	(93)
Sustainable resources and other	Infrastructure	**217**	326	**2**	7	**8**	16
Norbord / West Fraser[1]	Private Equity	**—**	—	**—**	1	**1**	230
Other corporate	Corporate	**1,031**	1,099	**2**	10	**22**	47
Other	Various	**852**	762	**22**	14	**73**	45
		$ 8,648	$ 6,190	**$ 149**	$ 46	**$ 455**	$ 403

1. Norbord was acquired by West Fraser on February 1, 2021. As part of the transaction, the company's investment in Norbord was converted into a 19% interest in West Fraser's outstanding common shares. As at December 31, 2021, we had fully disposed of our stake in the business.

- To date, we have invested approximately $4 billion across our Insurance Solutions business, including the acquisition of American National at the end of May 2022.
- FFO of $46 million in the quarter reflects one month contribution from American National, as well as earnings from our other reinsurance businesses for the period.
- We expect current annualized FFO of approximately $360 million to increase to $500+ million over the coming quarters, as we redeploy the high levels of cash and liquid financial assets held in our investment portfolios into higher yielding strategies.

Reconciliation of IFRS to Non-IFRS Measures

OVERVIEW

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

FOR THE THREE MONTHS ENDED JUN. 30 (MILLIONS)	2022	2021
Net income	**$ 1,475**	$ 2,429
Financial statement components not included in FFO		
Equity accounted fair value changes and other non-FFO items[1]	**535**	328
Fair value changes	**397**	(377)
Depreciation and amortization	**1,886**	1,571
Deferred income taxes	**(189)**	301
Realized disposition gains in fair value changes or prior periods	**152**	488
Non-controlling interests[2]	**(2,857)**	(3,140)
Funds from operations	**1,399**	1,600
Less: total disposition gains	**(197)**	(582)
Less: net invested capital FFO	**(629)**	(330)
Less: realized carried interest, net	**(48)**	(205)
Corporate activities	**(174)**	(144)
Insurance solutions' operating earnings	**46**	3
Distributions from investments	**612**	474
Equity-based compensation	**39**	27
Preferred share dividends	**(39)**	(41)
Distributable earnings before realizations	**1,009**	802
Realized carried interest, net[3]	**48**	205
Disposition gains from principal investments	**129**	225
Distributable earnings[4]	**$ 1,186**	$ 1,232

1. Other non-FFO items correspond to amounts that are not directly related to revenue earning activities and are not normal or recurring items necessary for business operations.
2. Amounts attributable to non-controlling interests are calculated based on the economic ownership interests held by non-controlling interests in consolidated subsidiaries. By adjusting FFO attributable to non-controlling interests, we are able to remove the portion of FFO earned at non-wholly owned subsidiaries that is not attributable to Brookfield.
3. Includes our share of Oaktree's distributable earnings attributable to realized carried interest.
4. Comparative period numbers have been revised to reflect new definitions. Refer to Glossary of Terms starting on page 39.

Common Share Information

COMMON SHARE CONTINUITY

FOR THE PERIODS ENDED JUN. 30 (MILLIONS)	Three Months 2022	Three Months 2021	LTM 2022	LTM 2021
Outstanding at beginning of period	**1,566.3**	1,510.0	**1,506.7**	1,511.5
Issued (repurchased)				
Issuances	**0.1**	—	**61.4**	—
Repurchases	**(5.1)**	(4.2)	**(12.0)**	(10.1)
Long-term share ownership plans	**0.6**	0.8	**5.7**	5.1
Dividend reinvestment plan	**—**	0.1	**0.1**	0.2
Outstanding at end of period	**1,561.9**	1,506.7	**1,561.9**	1,506.7
Unexercised options, other share-based plans and exchangeable shares of affiliate	**76.2**	80.7	**76.2**	80.7
Total diluted shares at end of period	**1,638.1**	1,587.4	**1,638.1**	1,587.4

- The company holds 77.1 million common shares for escrowed stock plans, which have been deducted from the total number of shares outstanding.
  - 16.1 million shares would be issued in respect of these plans if exercised based on current market prices and the balance would be canceled.
- Cash value of unexercised options as at June 30, 2022 was $1.4 billion (June 30, 2021 – $1.3 billion).

FFO AND EARNINGS PER SHARE INFORMATION

FOR THE THREE MONTHS ENDED JUN. 30 (MILLIONS, EXCEPT PER SHARE AMOUNTS)	Funds from Operations 2022	Funds from Operations 2021	Net Income 2022	Net Income 2021
FFO / Net income	**$ 1,399**	$ 1,600	**$ 590**	$ 816
Preferred share dividends	**(37)**	(38)	**(37)**	(38)
Subordinated preferred note dividends	**(2)**	(3)	**—**	—
Dilutive effect of conversion of subsidiary preferred shares	**—**	—	**—**	(14)
FFO / Net income available to shareholders	**1,360**	1,559	**553**	764
Dilutive impact of exchangeable shares of affiliate	**1**	—	**1**	—
FFO / Net income available to shareholders including dilutive impact of exchangeable shares	**$ 1,361**	$ 1,559	**$ 554**	$ 764
Weighted average shares	**1,564.4**	1,508.2	**1,564.4**	1,508.2
Dilutive effect of conversion of options and other share-based plans using treasury stock method and exchangeable shares of affiliate	**52.7**	41.8	**52.7**	41.8
Shares and share equivalents	**1,617.1**	1,550.0	**1,617.1**	1,550.0
Per share	**$ 0.84**	$ 1.01	**$ 0.34**	$ 0.49

Entity Basis – Reconciliation to Reportable Segments – Invested Capital

AS AT JUN. 30, 2022 (MILLIONS)	Reportable Segments							
	Asset Management	Renewable Power and Transition	Infrastructure	Private Equity	Real Estate	Residential	Corporate	**Total**
Asset management	$ 4,754	$ —	$ —	$ —	$ —	$ —	$ —	**$ 4,754**
Invested capital								
Perpetual investments								
Brookfield Renewable Partners	—	4,446	—	—	—	—	—	**4,446**
Brookfield Infrastructure Partners	—	—	2,564	—	—	—	—	**2,564**
Brookfield Business Partners	—	—	—	2,768	—	—	—	**2,768**
Brookfield Property Group[1]	—	—	—	—	31,542	—	—	**31,542**
	—	4,446	2,564	2,768	31,542	—	—	**41,320**
Corporate cash and financial assets	—	—	—	—	—	—	2,680	**2,680**
	—	4,446	2,564	2,768	31,542	—	2,680	**44,000**
Other investments								
Insurance solutions	—	—	—	—	—	—	3,868	**3,868**
Residential development	—	—	—	—	—	2,077	—	**2,077**
Energy contracts	—	603	—	—	—	—	—	**603**
Other	—	—	217	852	—	—	1,031	**2,100**
	—	603	217	852	—	2,077	4,899	**8,648**
Net working capital	—	—	—	—	—	—	679	**679**
Debt and preferred capital								
Corporate borrowings	—	—	—	—	—	—	(12,054)	**(12,054)**
Perpetual preferred shares	—	—	—	—	—	—	(4,375)	**(4,375)**
	—	—	—	—	—	—	(16,429)	**(16,429)**
	$ 4,754	$ 5,049	$ 2,781	$ 3,620	$ 31,542	$ 2,077	$ (8,171)	**$ 41,652**

1. Includes $16 million of BPG preferred shares.

Entity Basis – Reconciliation to Reportable Segments – Three Months FFO

FOR THE THREE MONTHS ENDED JUN. 30, 2022 (MILLIONS)	Reportable Segments: Asset Management	Renewable Power and Transition	Infrastructure	Private Equity	Real Estate	Residential	Corporate	Total
Asset management								
Fee-related earnings	$ 525	$ —	$ —	$ —	$ —	$ —	$ —	**$ 525**
Carried interest, net	48	—	—	—	—	—	—	**48**
	573	—	—	—	—	—	—	**573**
Invested capital								
Perpetual investments								
Brookfield Renewable Partners	—	131	—	—	—	—	—	**131**
Brookfield Infrastructure Partners	—	—	123	—	—	—	—	**123**
Brookfield Business Partners	—	—	—	211	—	—	—	**211**
Brookfield Property Group[1]	—	—	—	—	220	—	—	**220**
	—	131	123	211	220	—	—	**685**
Corporate cash and financial assets	—	—	—	—	—	—	(31)	**(31)**
	—	131	123	211	220	—	(31)	**654**
Other investments								
Insurance solutions	—	—	—	—	—	—	46	**46**
Residential development	—	—	—	—	—	100	—	**100**
Energy contracts	—	(23)	—	—	—	—	—	**(23)**
Other	—	—	2	22	—	—	2	**26**
	—	(23)	2	22	—	100	48	**149**
Disposition gains	—	14	120	31	3	—	29	**197**
Corporate activities[2]								
Interest expense	—	—	—	—	—	—	(124)	**(124)**
Corporate costs and taxes	—	—	—	—	—	—	(50)	**(50)**
	—	—	—	—	—	—	(174)	**(174)**
	$ 573	$ 122	$ 245	$ 264	$ 223	$ 100	$ (128)	**$ 1,399**

1. Includes nominal amounts of BPG preferred share distributions.
2. Excludes $39 million of preferred share distributions for the three months, which are included in determining per share results.

Entity Basis – Reconciliation to Reportable Segments – LTM FFO

FOR THE LTM ENDED JUN. 30, 2022 (MILLIONS)	Reportable Segments: Asset Management	Renewable Power and Transition	Infrastructure	Private Equity	Real Estate	Residential	Corporate	**Total**
Asset management								
Fee-related earnings	$ 2,029	$ —	$ —	$ —	$ —	$ —	$ —	**$ 2,029**
Carried interest, net	463	—	—	—	—	—	—	**463**
	2,492	—	—	—	—	—	—	**2,492**
Invested capital								
Perpetual investments								
Brookfield Renewable Partners	—	407	—	—	—	—	—	**407**
Brookfield Infrastructure Partners	—	—	455	—	—	—	—	**455**
Brookfield Business Partners	—	—	—	793	—	—	—	**793**
Brookfield Property Group[1]	—	—	—	—	999	—	—	**999**
	—	407	455	793	999	—	—	**2,654**
Corporate cash and financial assets	—	—	—	—	—	—	(57)	**(57)**
	—	407	455	793	999	—	(57)	**2,597**
Other investments								
Insurance solutions	—	—	—	—	—	—	85	**85**
Residential development	—	—	—	—	—	365	—	**365**
Energy contracts	—	(99)	—	—	—	—	—	**(99)**
Norbord / West Fraser[2]	—	—	—	1	—	—	—	**1**
Other	—	—	8	73	—	—	22	**103**
	—	(99)	8	74	—	365	107	**455**
Disposition gains	—	17	247	317	568	—	83	**1,232**
Corporate activities[3]								
Interest expense	—	—	—	—	—	—	(465)	**(465)**
Corporate costs and taxes	—	—	—	—	—	—	(178)	**(178)**
	—	—	—	—	—	—	(643)	**(643)**
	$ 2,492	$ 325	$ 710	$ 1,184	$ 1,567	$ 365	$ (510)	**$ 6,133**

1. Includes nominal amounts of BPG preferred share distributions.
2. Norbord was acquired by West Fraser on February 1, 2021. As part of the transaction, the company's investment in Norbord was converted into a 19% interest in West Fraser's outstanding common shares. As at December 31, 2021, we had fully disposed of our stake in the business.
3. Excludes $156 million of preferred share distributions for the LTM, which are included in determining per share results.

Endnotes

Distributable Earnings – Page 5

1. Annualized distributions are calculated by multiplying units held as at June 30, 2022 by the current distribution rates per unit.
2. Annualized distributions for corporate cash and financial assets are calculated as an estimated 8% total return on the current quarter's ending balance.
3. Includes earnings from wholly owned investments and distributions from our other listed investments. On February 1, 2021, Norbord Inc. ("Norbord") was acquired by West Fraser Timber Co. Ltd. ("West Fraser"). As part of the transaction, the company's investment in Norbord was converted into a 19% interest in West Fraser's outstanding common shares. As at December 31, 2021, we had fully disposed of our stake in the business. See definitions of our other investments in the Invested Capital – Overview section on page 25. Oaktree's policy is to distribute 85% of realized investment income each period. Oaktree annualized realized investment income is based on 85% of the last twelve months realized investment income, at our share.
4. Includes $2 million (2021 – $3 million) and $9 million (2021 – $6 million) of dividends paid on perpetual subordinated notes for the three and twelve months ended March 31, 2022, respectively.
5. Refer to page 32 for reconciliation of IFRS to non-IFRS measures.
6. Average number of shares outstanding on a fully diluted, time-weighted average basis for the three months and twelve months ended June 30, 2022 were 1,617.1 million and 1,620.9 million, respectively (June 30, 2021 – 1,550.0 million and 1,543.1 million, respectively).

Asset Management – Page 6

1. Fee-bearing capital from Oaktree is shown on a 100% basis.
2. We use a 55% – 65% range for margin on Brookfield fee revenue and a range of 25% – 35% on Oaktree fee revenue for planning purposes. For annualized fees, we have assumed a mid-point fee-related earnings margin of 60% and 30% for Brookfield and Oaktree, respectively. Refer to pages 15 and 16 for details on the determination of annualized fees.
3. Includes fee revenues from Oaktree shown on a 100% basis.
4. Direct costs related to annualized fee revenues and annualized carried interest include $773 million and $711 million related to Oaktree (2021 – $738 million and $679 million), respectively.
5. Actual carried interest is carried interest realized in the period (refer to page 17). Annualized carried interest is target carried interest.
6. Annualized carried interest includes $1.4 billion of target carried interest related to Oaktree (2021 – $1.4 billion), shown on a 100% basis.
7. We use a margin range of 65% – 75% on Brookfield carried interest and a range of 45% – 55% on Oaktree carried interest for planning purposes. For annualized carried interest, we have assumed a mid-point target carried interest margin of 70% and 50% for Brookfield and Oaktree funds, respectively. Refer to page 18.

Invested Capital – Page 7

1. Quoted based on June 30, 2022 and December 31, 2021 public pricing, respectively.
2. For performance measurement purposes, we consider the value of invested capital to be the quoted value of listed investments, public pricing using industry comparables for Brookfield Residential values and IFRS values for unlisted investments.
3. Distributed cash flow (current) from our listed investments is calculated by multiplying units held as at June 30, 2022 by the current distribution rates per unit. Corporate cash and financial asset distribution is calculated by applying an 8% total return on the current quarter's ending balance. Distributions on our unlisted investments is equal to the total distributions received over the last twelve month period.
4. Corporate cash and financial assets is inclusive of $1.8 billion of cash and cash equivalents (December 31, 2021 – $1.9 billion).
5. Blended value includes the fair value of comparable assets in our Residential segment.
6. Other investments include energy contracts, timber and agricultural assets, other corporate investments, other listed investments and $1.1 billion of investments related to our share of Oaktree (December 31, 2021 – $869 million).
7. Includes $230 million of perpetual subordinated notes issued in November 2020 by a wholly owned subsidiary of Brookfield, included within non-controlling interest.

Endnotes cont'd

Liquidity and Capital Structure – Page 8

1. Refer to Glossary of Terms starting on page 39.
3. Includes $230 million of perpetual subordinated notes issued in November 2020 by a wholly owned subsidiary of Brookfield, included within non-controlling interest.

Liquidity Profile – Page 9

1. Includes $23 billion of liquidity held through our insurance portfolio
2. Third-party private fund uncalled commitments.
3. Total uncalled fund commitments includes capital callable from fund investors, including funds outside of their investment period, for which capital is callable for follow-on investments. As at June 30, 2022, $10.8 billion of uncalled fund commitments related to funds outside of their investment period.

Summary of Results – Funds from Operations – Page 10

1. FFO excludes preferred share distributions of $39 million (2021 – $41 million) for the three months ended June 30 and $156 million (2021 – $151 million) for the LTM, which are included in determining per share results.
2. Refer to page 32 for reconciliations of IFRS to non-IFRS measures.
3. Average number of shares outstanding on a fully diluted, time-weighted average basis for the three months and twelve months ended June 30, 2022 were 1,617.1 million and 1,620.9 million, respectively (June 30, 2021 – 1,550.0 million and 1,543.1 million, respectively).

Funds from Operations and Net Income – Page 11

1. Net of non-controlling interests. Refer to page 32 for reconciliations of IFRS to non-IFRS measures.
2. FFO includes gains (net of losses) recorded in net income, directly in equity and the realization of appraisal gains and losses recorded in prior periods.
3. Includes amounts attributable to consolidated entities and equity accounted investments.
4. Average number of shares outstanding on a fully diluted, time-weighted average basis for the three months and twelve months ended June 30, 2022 were 1,617.1 million and 1,620.9 million, respectively (June 30, 2021 – 1,550.0 million and 1,543.1 million, respectively).

Asset Management Operating Results cont'd – Page 14

2. Represents Oaktree fee-related earnings attributable to the 36% and 37% of Oaktree not held by Brookfield for the three months and twelve months ended June 30, 2022.

Annualized Fees and Target Carried Interest – Page 20

1. Based on most recent quarterly distributions declared.
2. Annualized BBU performance fees assume 10% annualized unit price appreciation from the $25.00 initial spin-out value in 2016, adjusted for current BBU units outstanding.
3. Annualized transaction and advisory fees based on simple average of the last two years' results.
4. Based on prescribed carried interest for private funds and target gross return. Includes only third-party capital.
5. Fee revenues based on annualized fees as at June 30, 2022, excluding transaction fees, performance fees and target carried interest.
6. Perpetual strategies base management fees include $527 million of annualized base fees on Brookfield capital from perpetual affiliates.
7. For details on perpetual strategies base fee calculations, refer to the Glossary of Terms on page 41.

Glossary of Terms

The "Corporation," "Brookfield" or "BAM" refers to our asset management business which is comprised of our asset management and corporate business segments.

This Supplemental Information contains key performance measures that we employ in analyzing and discussing our results. These measures include non-IFRS measures. We describe our key financial measures below and include a complete list of our performance measures on pages 136 through 142 of our 2021 annual report.

- **Asset under management** refers to the total fair value of assets that we manage, on a gross asset value basis, including assets for which we earn management fees and those for which we do not. AUM is calculated as follows: (i) for investments that Brookfield consolidates for accounting purposes or actively manages, including investments in which Brookfield or a controlled investment vehicle is the largest shareholder or the primary operator or manager, at 100% of the investment's total assets on a fair value basis; and (ii) for all other investments, at Brookfield's or its controlled investment vehicle's, as applicable, proportionate share of the investment's total assets on a fair value basis. Brookfield's methodology for determining AUM may differ from the methodology employed by other alternative asset managers and Brookfield's AUM presented herein may differ from our AUM reflected in other public filings and/or our Form ADV and Form PF.

- **Fee-bearing capital** represents the capital committed, pledged or invested in the perpetual affiliates, private funds and liquid strategies that we manage which entitles us to earn fee revenues. Fee-bearing capital includes both called ("invested") and uncalled ("pledged" or "committed") amounts. When reconciling period amounts, we utilize the following definitions:

  - Inflows include capital commitments and contributions to our private and liquid strategies funds and equity issuances in our perpetual affiliates.

  - Outflows represent distributions and redemptions of capital from within the liquid strategies capital.

  - Distributions represent quarterly distributions from perpetual affiliates as well as returns of committed capital (excluding market valuation adjustments), redemptions and expiry of uncalled commitments within our private funds.

  - Market activity includes gains (losses) on portfolio investments, perpetual affiliates and liquid strategies based on market prices.

  - Other include changes in net non-recourse debt included in the determination of perpetual affiliate capitalization and the impact of foreign exchange fluctuations on non-U.S. dollar commitments.

- **Carry eligible capital** represents the capital committed, pledged or invested in the private funds that we manage and which entitle us to earn carried interest. Carry eligible capital includes both invested and uninvested (i.e. uncalled) private fund amounts as well as those amounts invested directly by investors (co-investments) if those entitle us to earn carried interest. We believe this measure is useful to investors as it provides additional insight into the capital base upon which we have potential to earn carried interest once minimum investment returns are sufficiently assured.

- **Distributable earnings ("DE")** is a non-IFRS measure that provides insight into earnings received by the Corporation that are available for distribution to common shareholders or to be reinvested into the business. It is calculated as the sum of our Asset Management segment FFO (i.e., fee-related earnings and realized carried interest, net); distributions from our perpetual affiliates, other investments that pay regular cash distributions and FFO from our corporate cash and financial assets; other invested capital earnings, which include FFO from our insurance solutions business, residential operations, energy contracts, sustainable resources and other real estate, private equity, corporate investments that do not pay regular cash distributions, corporate costs and corporate interest expense; excluding equity-based compensation costs and net of preferred share dividend payments.

- **Annualized fees** include annualized base management fees, which are determined by the contractual fee rate multiplied by the current level of fee-bearing capital, annualized incentive distributions based on our perpetual affiliates' current annual distribution policies, annualized transaction and liquid strategies performance fees equal a simple average of the last two years' revenues.

- **Fee-related earnings** is comprised of fee revenues less direct costs associated with earning those fees, which include employee expenses and professional fees as well as business related technology costs, other shared services and taxes. We use this measure to provide additional insight into the operating profitability of our asset management activities.

Glossary of Terms cont'd

- **Carried interest** is a contractual arrangement whereby we receive a fixed percentage of investment gains generated within a private fund provided that the investors receive a pre-determined minimum return. Carried interest is typically paid towards the end of the life of a fund after the capital has been returned to investors and may be subject to "clawback" until all investments have been monetized and minimum investment returns are sufficiently assured. This is referred to as **realized carried interest.** We defer recognition of carried interest in our financial statements until they are no longer subject to adjustment based on future events. Unlike fees and incentive distributions, we only include carried interest earned in respect of third-party capital when determining our segment results.

  – **Unrealized carried interest** is the change in accumulated unrealized carried interest from prior period and represents the amount of carried interest generated during the period. We use this measure to provide insight into the value our investments have created in the period.

  – **Accumulated unrealized carried interest** is based on carried interest that would be receivable under the contractual formula at the period end date as if a fund was liquidated and all investments had been monetized at the values recorded on that date. Unrealized carry refers to the change in unrealized carry during a specified period, adjusted for realized carry.

  – **Accumulated unrealized carried interest, net** is after direct costs, which include employee expenses and taxes.

  – **Annualized target carried interest** represents the annualized carried interest we would earn on third-party private fund capital subject to carried interest based on the assumption that we achieve the targeted returns on the private funds. It is determined by multiplying the target gross return of a fund by the percentage carried interest and by the amount of third-party capital, and discounted by a utilization factor representing the average invested capital over the fund life.

- **Invested capital** is the amount of common equity in our operating segments.

- **Fee revenues** include base management fees, incentive distributions, performance fees and transaction fees presented within our Asset Management segment. Fee revenues exclude carried interest.

- **Funds from operations ("FFO")** is a key measure of financial performance. FFO includes the fees that we earn from managing capital as well as our share of revenues earned and costs incurred within our operations, which include interest expense and other costs. FFO is defined as net income attributable to shareholders prior to fair value changes, depreciation and amortization, deferred income taxes, and includes disposition gains that are not recorded in net income as determined under IFRS. FFO also includes the company's share of equity accounted investments' funds from operations on a fully diluted basis. Brookfield uses FFO to assess its operating results and believes that many of its shareholders and analysts also find this measure valuable to them.

  FFO 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. Net income is reconciled to FFO on page 32.

  – FFO from **operating activities** represents the company's share of revenues less operating costs and interest expenses: it excludes realized carried interest, disposition gains, fair value changes, depreciation and amortization, deferred income taxes, and includes our proportionate share of similar items recorded by equity accounted investments. We present this measure as we believe it assists in describing our results and reconciling variances within FFO.

  – **Realized carried interest** represents our share of investment returns based on realized gains within a private fund. Realized carried interest earned is recognized when an underlying investment is profitably disposed of and the fund's cumulative returns are in excess of preferred returns, in accordance with the respective terms set out in the fund's governing agreements, and when the probability of clawback is remote. Realized carried interest is determined on third-party capital that is no longer subject to future investment performance.

  – **Performance fees** are paid to us when we exceed predetermined investment returns within BBU. BBU performance fees are accrued quarterly based on the volume-weighted average increase in BBU unit price, using the combined units and shares of BBU and BBUC. Performance fees are not subject to clawback.

  – **Realized disposition gains/losses** are included in FFO as the purchase and sale of assets is a normal part of the company's business. They include gains or losses arising from transactions during the reporting period together with any fair value changes and revaluation surplus recorded in prior periods and are presented net of cash taxes payable or receivable. Realized disposition gains include amounts that are recorded in net income, other comprehensive income and as ownership changes in our consolidated statements of equity, and exclude amounts attributable to non-controlling interests unless otherwise noted.

Glossary of Terms cont'd

- **Incentive distributions** are determined by contractual arrangements and are paid to us by BEP and BIP and represent a portion of distributions paid by perpetual affiliates above a predetermined hurdle.
- **Base management fees** are determined by contractual arrangements, are typically equal to a percentage of fee-bearing capital and are accrued quarterly.
  - **Private fund base fees** are typically earned on fee-bearing capital from third-party investors only and are earned on invested and/or uninvested fund capital, depending on the stage of the fund life.
  - **Perpetual affiliate base fees** are earned on the total capitalization or net asset value of our perpetual affiliates, which includes our investment. Base fees for BEP include a quarterly fixed fee amount of $5 million, with additional fees of 1.25% on the increase in capitalization above their initial capitalization of $8 billion. Base fees for BIP and BBU are 1.25% of total capitalization. Base fees for BPG are 1.05% of net asset value, excluding its interests in private funds and investments which were held directly by BAM prior to the BPY privatization. Perpetual affiliate capitalization as at June 30, 2022, was as follows: BEP/BEPC – $26.8 billion; BIP/BIPC – $33.7 billion; BBU/BBUC – $7.3 billion; and BPG – $21.8 billion.
- **Internal rate of return ("IRR")** is the annualized compounded rate of return of the fund, calculated since initial investment date.
- **Corporate capitalization** represents the amount of debt issued by the Corporation, accounts payable and deferred tax liability in our Corporate segment as well as our issued and outstanding common and preferred shares.

Notice to Readers

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

This Supplemental Information contains “forward-looking information” within the meaning of Canadian provincial securities laws and “forward-looking statements,” within the meaning of certain securities laws including Section 27A of the U.S. Securities Act of 1933, as amended, Section 21E of the U.S. Securities Exchange Act of 1934, as amended, “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995 and in any applicable Canadian securities regulations. We may make such statements in this profile, in other filings with Canadian regulators and the Securities Exchange Commission or in other communications. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions and include statements which reflect management’s expectations regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies and outlook of the corporation and its subsidiaries, capital committed to our funds, our liquidity and ability to access and raise capital, our ability to capitalize on investment opportunities, the potential growth of our asset management business and the related revenue streams therefrom, the prospects for increasing our cash flow from or continued achievement of targeted returns on our investments, as well as the outlook for North American and international economies for the current fiscal year and subsequent periods, and include words such as “expects,” “anticipates,” “plans,” “believes,” “estimates,” “seeks,” “intends,” “targets,” “projects,” “forecasts” or negative versions thereof and other similar expressions, or future or conditional verbs such as “may,” “will,” “should,” “would” and “could.” In particular, the forward-looking statements contained within this Supplemental Information include statements referring to the future state of the economy or the securities market and expected future deployment of capital, dispositions and associated realized carried interest, as well as statements regarding the results of future fundraising efforts. In addition, forward-looking statements contained in this Supplemental Information include statements regarding the listing and distribution of an interest in our asset management business, including the anticipated timing of such transaction and the impact that such transaction may have on Brookfield and its shareholders. The board of directors of Brookfield has approved, in principle, Brookfield pursuing the transaction. The transaction will be subject to the satisfaction of a number of conditions, including shareholder approval, and, as such, there can be no certainty that the transaction will proceed or proceed in the manner described.

Although we believe that our anticipated future results, performance or achievements expressed or implied by the forward-looking statements and information are based upon reasonable assumptions and expectations, the reader should not place undue reliance on forward-looking statements and information because they involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, which may cause the actual results, performance or achievements of the company to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements and information.

Some of the factors, many of which are beyond Brookfield’s control and the effects of which can be difficult to predict, but may cause actual results to differ materially from those contemplated or implied by forward-looking statements include, but are not limited to: (i) investment returns that are lower than target; (ii) the impact or unanticipated impact of general economic, political and market factors in the countries in which we do business, including as a result of COVID-19; (iii) the behavior of financial markets, including fluctuations in interest and foreign exchange rates; (iv) global equity and capital markets and the availability of equity and debt financing and refinancing within these markets; (v) strategic actions including dispositions; the ability to complete and effectively integrate acquisitions into existing operations and the ability to attain expected benefits; (vi) changes in accounting policies and methods used to report financial condition (including uncertainties associated with critical accounting assumptions and estimates); (vii) the ability to appropriately manage human capital; (viii) the effect of applying future accounting changes; (ix) business competition; (x) operational and reputational risks; (xi) technological change; (xii) changes in government regulation and legislation within the countries in which we operate; (xiii) governmental investigations; (xiv) litigation; (xv) changes in tax laws; (xvi) ability to collect amounts owed; (xvii) catastrophic events, such as earthquakes, hurricanes and epidemics/pandemics; (xviii) the possible impact of international conflicts and other developments including terrorist acts and cyberterrorism; (xix) the introduction, withdrawal, success and timing of business initiatives and strategies; (xx) the failure of effective disclosure controls and procedures and internal controls over financial reporting and other risks; (xxi) health, safety and environmental risks; (xxii) the maintenance of adequate insurance coverage; (xxiii) the existence of information barriers between certain businesses within our asset management operations; (xxiv) risks specific to our business segments including our real estate, renewable power, infrastructure, private equity, and other alternatives, including credit; and (xxv) factors detailed from time to time in our documents filed with the securities regulators in Canada and the United States, including in “Part 6 – Business Environment and Risks” of our Annual Report available on SEDAR at www.sedar.com and EDGAR at www.sec.gov.

We caution that the foregoing list of important factors that may affect future results is not exhaustive and other factors could also adversely affect its results. Readers are urged to consider the foregoing risks, as well as other uncertainties, factors and assumptions carefully in evaluating the forward-looking information and are cautioned not to place undue reliance on such forward-looking information. Except as required by law, the company undertakes no obligation to publicly update or revise any forward-looking statements or information, whether written or oral, that may be as a result of new information, future events or otherwise.

Notice to Readers cont'd

STATEMENT REGARDING PAST AND FUTURE PERFORMANCE AND TARGET RETURNS

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

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

STATEMENT REGARDING USE OF NON-IFRS MEASURES

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