

## Partners Value Investments LP Announces 2017 Third Quarter Results

**TORONTO, November 28, 2017** – Partners Value Investments LP (the "Partnership") announced today its financial results for the three months ended September 30, 2017. All amounts are stated in US dollars.

TThe Partnership recorded an increase in net book value during the third quarter of \$235 million (\$2.66 per unit) to \$3.1 billion (\$35.05 per unit). The increase is primarily due to unrealized gains on the Partnership's investment portfolio and an increase in the quoted market price of Brookfield Asset Management ("Brookfield") common shares. The market price of Brookfield Asset Management ("Brookfield") Class A common shares increased 5% during the quarter to \$41.30 per share.

Net income for the quarter was \$8 million, of which \$2 million was attributable to the Equity Limited Partners (\$0.03 per Equity LP unit), down from \$19 million in the prior year quarter. The decrease in net income was due to increased operating expenses in the period reflective of increased investment activity, increased current taxes resulting from disposition of securities, and foreign exchange losses incurred on the translation of our Canadian dollar denominated liabilities.

## **Consolidated Statements of Operations**

(unaudited)		Three months ended		1	Nine months ended				
		2017		2016		2017		2016	
For the period ended September 30 (Thousands, US dollars)	4							<b>&gt;</b>	
Investment income									
Dividends			\$	20,721	\$	16,301	\$	67,734	\$ 46,412
Other investment income				1,239		632		2,752	4,418
				21,960		16,933		70,486	50,830
Expenses									
Operating expenses				(10,047)		(3,662)		(12,808)	(9,723)
Financing costs				(1,889)		(523)		(3,677)	(924)
Retractable preferred share dividends				(6,896)		(6,769)		(19,525)	(18,980)
				3,128		5,979		34,476	21,203
Other items									
Investment valuation gains (losses)				40,141		23,315		55,275	49,862
Amortization of deferred financing costs				(726)		(480)		(1,694)	(1,363)
Change in value of fund unit liability				_		(50)		_	(898)
Income tax (expense) recovery				(9,640)		(2,823)		(16,355)	(16,654)
Equity accounted income				262		_		262	_
Foreign currency (losses) gains				(22,756)		(6,958)		(29,695)	18,031
Net income			\$	7,785	\$	18,893	\$	39,645	\$ 70,181
Net income attributable to:									
Partners Value Investments Inc.			\$	_	\$	_	\$	_	\$ 51,198
General Partner				_		_		_	_
Preferred Limited Partners				5,427		7,529		16,675	7,529
Equity Limited Partners				2,359		11,454		22,971	11,454
			\$	7,785	\$	18,983	\$	39,645	\$ 70,181
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The Partnership's principal investment is its interest in 86 million Class A Limited Voting Shares ("Brookfield shares") of Brookfield, representing a 9% fully-diluted interest as at September 30, 2017. In addition, the Partnership owns a diversified investment portfolio of marketable securities. The information in the following table shows the changes in net book value:

For the periods ended September 30, 2017	Three months ended			Nine months ended			
(Thousands, US dollars, except per unit amounts)	Т	otal	Per Unit	Total		Per Unit	
Net book value, beginning of period <sup>1</sup>	\$ 2,858	111 \$	32.39	\$ 2,337,457	\$	26.49	
Net income <sup>2, 3</sup>	2,3	58	0.03	22,970		0.26	
Other comprehensive income <sup>2,3</sup>	218,	181	2.48	705,313		7.99	
Adjustment for impact of warrant <sup>2,3</sup>	14,	162	0.15	27,683		0.31	
Equity LP Repurchase <sup>2,3</sup>		_	_	(11)		_	
Net book value, end of period <sup>1,4</sup>	\$ 3,093,	112 \$	35.05	\$ 3,093,412	\$	35.05	
4						<b>&gt;</b>	

- 1 Calculated on a fully-diluted basis, net book value is a non-IFRS measure and is equal to total equity less General Partner equity and Preferred Limited Partners' equity, plus the value of consideration to be received on exercising of warrants, which as at September 30, 2017 was \$383 million (December 31, 2016 \$355 million).
- 2 Attributable to Equity Limited Partners
- The basic weighted average number of Equity Limited Partnership ("Equity LP") units outstanding during the three and nine months ended September 30, 2017 was 73,541,131 and 73,541,210 respectively. The diluted weighted average number of Equity Limited Partnership ("Equity LP") units available and outstanding during the three and nine months ended September 30, 2017 was 88,249,897 and 88,249,976 respectively; this includes the 14,708,766 Equity LP units issued through the exercise of all outstanding warrants. 4 At the end of the quarter, the diluted Equity LP units outstanding were 88,249,897 (December 31, 2016 88
- 4 At the end of the quarter, the diluted Equity LP units outstanding were 88,249,897 (December 31, 2016 88,250,327); this includes the 14,708,766 Equity LP units issued through the exercise of all outstanding warrants.

The information in the following table has been extracted from the Partnership's Statement of Financial Position:

## **Statement of Financial Position**

As at	_		
(Thousands, US dollars, except per unit amounts)		September 30, 2017	December 31, 2016
Assets			
Cash and cash equivalents	\$	122,084	\$ 5,971
Investments			
Brookfield Asset Management Inc. <sup>1</sup>		3,545,152	2,829,156
Other securities		775,058	612,734
Accounts receivable and other assets		7,154	20,881
Investment in Trisura Group Ltd.		13,635	_
Goodwill		3,128	_
	\$	4,466,211	\$ 3,468,742
Liabilities and Equity			
Accounts payable and other liabilities	\$	164,872	\$ 124,820
Preferred shares <sup>2</sup>		679,852	521,155
Deferred taxes <sup>3</sup>		410,918	340,470
		1,255,642	986,445
Equity			
Partnership equity			
General Partner		1	1
Preferred Limited Partners		499,902	499,902
Equity Limited Partners		2,710,666	1,982,394
	\$	4,466,211	3,468,742
Net book value per Equity LP unit <sup>4,5</sup>	\$	35.05	\$ 26.49
4			<b>&gt;</b>

<sup>1</sup> The investment in Brookfield Asset Management Inc. consists of 86 million Brookfield shares with a quoted market value of \$41.30 per share as at September 30, 2017 (December 31, 2016 – \$32.96).

<sup>2</sup> Represents \$690 million of retractable preferred shares less \$10 million of unamortized issue costs as at September 30, 2017 (December 31, 2016 – \$529 million less \$8 million).

- 3 The deferred tax liability represents the potential future income tax liability of the Partnership recorded for accounting purposes based on the difference between the carrying values of the Partnership's assets and liabilities and their respective tax values, as well as giving effect to estimated capital and non-capital losses.
- 4 Calculated on a fully-diluted basis. As at September 30, 2017, there were 73,541,131 (December 31, 2016 73,541,531) Equity LP units issued and outstanding, while the diluted Equity LP units outstanding were 88,249,897 (December 31, 2016 88,250,327) which includes the 14,708,766 Equity LP units that would be issued through the exercise of all outstanding warrants.
- Net book value is a non-IFRS measure and is equal to total equity less General Partner equity and Preferred Limited Partners' equity, plus the value of consideration to be received on exercising of warrants, which as at September 30, 2017 was \$383 million (December 31, 2016 \$355 million).

For further information, contact Investor Relations at ir@pvii.ca or 647-503-6516.

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Note: This news release contains "forward-looking information" within the meaning of Canadian provincial securities laws and "forward-looking statements" within the meaning of applicable Canadian securities regulations. The words "potential" and "estimated" and other expressions which are predictions of or indicate future events, trends or prospects and which do not relate to historical matters, identify forward-looking information. Forward-looking information in this news release includes statements with regard to the Partnership's potential future income taxes.

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

Factors that could cause actual results to differ materially from those contemplated or implied by forward-looking statements and information include, but are not limited to: the financial performance of Brookfield Asset Management Inc., the impact or unanticipated impact of general economic, political and market factors; the behavior of financial markets, including fluctuations in interest and foreign exchanges rates; global equity and capital markets and the availability of equity and debt financing and refinancing within these markets; strategic actions including dispositions; changes in accounting policies and methods used to report financial condition (including uncertainties associated with critical accounting assumptions and estimates); the effect of applying future accounting changes; business competition; operational and reputational risks; technological change; changes in government regulation and legislation; changes in tax laws, catastrophic events, such as earthquakes and hurricanes; the possible impact of international conflicts and other developments including terrorist acts; and other risks and factors detailed from time to time in the Partnership's documents filed with the securities regulators in Canada.

The Partnership cautions that the foregoing list of important factors that may affect future results is not exhaustive. When relying on the Partnership's forward-looking statements and information, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Except as required by law, the Partnership undertakes no obligation to publicly update or revise any forward-looking statements and information, whether written or oral, that may be as a result of new information, future events or otherwise.