

Partners Value Investments Inc. Announces 2015 Annual Results

TORONTO, April 1, 2016 (TSX VENTURE: PVF) – Partners Value Investments Inc. (the “Company”), formerly Partners Value Fund Inc., announced today its financial results for the year ended December 31, 2015.

The Company’s net book value increased by \$5.01 per share during the year to \$42.52 per share due to increases in the market value of its long-term investment portfolio.

The Company incurred net losses of \$22 million (\$0.30 per common share) for the year ended December 31, 2015 compared to net income of \$27 million (\$0.36 per common share) in the prior year. The decrease in net income was primarily due to a decline in the quoted market prices of the Company’s investments and the impact of foreign exchange. These unrealized declines in market value more than offset the 27% increase in investment income during the year.

Consolidated Statements of Operations

<i>For the years ended December 31</i> <i>(Thousands)</i>	2015	2014
Investment income		
Dividends	\$68,582	\$54,765
Other investment income	1,946	737
	70,528	55,502
Less		
Operating expenses	4,042	1,232
Financing costs	1,114	55
Retractable preferred share dividends	28,396	28,072
	36,976	26,143
Other items		
Investment valuation (losses) gains	(48,511)	(5,743)
Equity accounted income	-	6,824
Amortization of deferred financing costs	(1,910)	(1,814)
Change in value of fund unit liability	4,070	-
Income tax expense	8,617	1,185
Foreign currency (losses) gains	(21,451)	(57)
Net (losses) income	\$ (22,209)	\$26,598

Financial Profile and Net Book Value

The Company’s principal investment is its interest in 86 million Class A Limited Voting Shares (“Brookfield Shares”) of Brookfield Asset Management Inc. (“Brookfield”), representing 11.7 Brookfield Class A Shares for every 10 common shares of The Company as at December 31, 2015.

The information in the following table shows the changes in net book value for the year ended December 31, 2015:

<i>For the period ended December 31</i> <i>(Thousands, except per share amounts)</i>	2015		2014	
	Total	Per Share	Total	Per Share
Net book value, beginning of period ¹	\$2,759,067	\$31.51	\$1,881,555	\$25.36
Net (loss) income ²	(22,209)	(0.30)	26,598	0.36
Other comprehensive income ²	391,122	5.31	870,703	11.75
Equity redemption ³	-	-	(19,789)	(0.27)
Other ⁴	-	-	-	0.31
Net book value, end of period ^{1,5}	\$3,127,980	\$42.52	\$2,759,067	\$37.51

1) Net book value per common share is a non-IFRS measure.

2) The weighted average number of common shares outstanding during the year ended December 31, 2015, was 73,546,899 (2014 – 73,132,415).

3) In November 2014, the Company completed a substantial issuer bid and redeemed and cancelled 659,609 common shares at \$30.00 per share for a total of \$20 million.

4) Represents the anti-dilution of net book value per share as a result of the substantial issuer bid (see footnote 3).

5) As at December 31, 2015, there were 73,546,898 (2014 – 73,546,899) voting and non-voting common shares of the Company issued and outstanding on a fully diluted basis.

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

Statement of Financial Position

<i>As at December 31</i> <i>(Thousands, except per share amounts)</i>	2015	2014

Assets

Cash and cash equivalents	\$127,467	\$19,350
Investments		
Brookfield Asset Management ¹	3,746,873	3,273,491
Other securities	619,363	438,524
Accounts receivable and other	8,169	39,183
	\$4,501,872	\$3,770,548

Liabilities and Shareholders' Equity

Accounts payable and other	\$243,527	\$24,845
Retractable preferred shares ²	706,258	607,777
Deferred taxes ³	424,107	378,859
	1,373,892	1,011,481

Shareholders' equity

Common equity	3,127,980	2,759,067
	\$4,501,872	\$3,770,548
Net book value per common share ^{4,5}	\$42.52	\$37.51

1) The investment of 86 million Brookfield shares with a quoted market value of \$41.99 per share as at September 30, 2015 (December 31, 2014 – \$58.22 or \$38.81 split-adjusted).

2) Represents \$617 million of retractable preferred shares less \$8 million of unamortized issue costs (December 31, 2014 – \$617million less \$9 million).

3) The deferred tax liability represents the potential future income tax liability of the Company recorded for accounting purposes based on the difference between the carrying values of the Company's assets and liabilities and their respective tax values, as well as giving effect to estimated capital and non-capital losses.

4) As at September 30, 2015 there were 73,546,899 (December 31, 2014 – 73,546,899) voting and non-voting common shares of the Company issued and outstanding on a fully diluted basis.

5) Net book value per common share is a non-IFRS measure.

For further information, contact George E. Mythal, President (416) 305-0313.

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 Company's potential future income taxes.

Although the Company 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 Company to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking statements and information.

Factors that could cause actual results to differ materially from those contemplated or implied by forward-looking statements 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 Company's documents filed with the securities regulators in Canada.

The Company cautions that the foregoing list of important factors that may affect future results is not exhaustive. When relying on the Company'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 Company 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.