

NEWS RELEASE

PARTNERS VALUE INVESTMENTS L.P. ANNOUNCES 2021 FIRST QUARTER RESULTS

TORONTO, May 21, 2021 – Partners Value Investments L.P. (the “Partnership” TSX: PVF.UN TSX:PVF.PR.U) announced today its financial results for the three months ended March 31, 2021. All amounts are stated in US dollars.

The Partnership generated net loss of \$1 million for the quarter ended March 31, 2021 compared to net income of \$74 million in the prior year quarter. Net income was lower in the current quarter compared to the 2020 quarter which included a favourable impact of currency exchange rates from a subsidiary of the Partnership’s preferred shares which are denominated in Canadian dollars.

The market price of a Brookfield share was \$44.50 per share at March 31, 2021 compared to \$41.27 at December 31, 2020.

Consolidated Statements of Operations

(Unaudited)

For the three months ended March 31

(Thousands, US dollars)

	2021	2020
Investment income		
Dividends	\$ 18,503	\$ 20,780
Other investment income	2,009	987
	<u>20,512</u>	<u>21,767</u>
Expenses		
Operating expenses	(705)	(441)
Financing costs	(1,284)	(17)
Retractable preferred share dividends	(11,540)	(5,408)
	<u>(13,529)</u>	<u>(5,866)</u>
Other items		
Investment valuation gains (losses)	5,284	(15,451)
Amortization of deferred financing costs	(1,204)	(529)
Current taxes recovery	1,980	315
Deferred taxes expense	(2,627)	(866)
Foreign currency (loss) gain	(11,592)	74,736
Net (loss) income	<u>\$ (1,176)</u>	<u>\$ 74,106</u>

Change in Net Book Value

The information in the following table shows the changes in net book value:

For the three months ended March 31 (Thousands, except per unit amounts)	2021		2020	
	Total	Per Unit	Total	Per Unit
Net book value, beginning of period ¹	\$ 4,777,152	\$ 54.20	\$ 4,378,324	\$ 49.65
Net income ²	(2,898)	(0.03)	71,271	0.81
Other comprehensive income ²	383,658	4.36	(1,116,521)	(12.66)
Adjustment for impact of warrant ³	5,155	0.06	(28,019)	(0.32)
Equity LP repurchase	(1,654)	(0.02)	(109)	—
Net book value, end of period ^{1,4,5}	<u>\$ 5,161,413</u>	<u>\$ 58.57</u>	<u>\$ 3,304,946</u>	<u>\$ 37.48</u>

1 Calculated on a fully diluted basis, net book value is non-IFRS measure.

2 Attributable to Equity Limited Partners.

3 The basic weighted average number of Equity Limited Partnership ("Equity LP") units outstanding during the period ended March 31, 2021 was 73,331,299. The diluted weighted average number of Equity Limited Partnership ("Equity LP") units available and outstanding the period ended March 31, 2021 was 88,039,965; this includes the 14,708,766 Equity LP units issuable on the exercise of all outstanding warrants.

4 At the end of the period, the diluted Equity LP units outstanding were 88,017,497 (December 31, 2020 – 88,056,097).

5 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 March 31, 2021 was \$380 million (December 31, 2020 – \$375 million).

Financial Profile

The Partnership's principal investment is its interest in approximately 129 million Class A Limited Voting Shares ("Brookfield shares") of Brookfield. This represents a 9% fully diluted interest as at March 31, 2021. In addition, the Company owns a diversified investment portfolio of marketable securities.

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

As at (Thousands, US dollars)	(Unaudited)	
	March 31, 2021	December 31, 2020
Assets		
Cash and cash equivalents	\$ 229,777	\$ 316,718
Investment in Brookfield Asset Management Inc. ¹	5,729,755	5,313,865
Other investments carried at fair value	319,016	365,949
Accounts receivable and other assets	43,791	40,109
	<u>\$ 6,322,339</u>	<u>\$ 6,036,641</u>
Liabilities and Equity		
Accounts payable and other liabilities	\$ 15,297	\$ 15,604
Corporate Borrowings	118,920	117,286
Preferred shares ²	545,772	694,148
Deferred taxes ³	707,858	654,217
	<u>1,387,847</u>	<u>1,481,255</u>
Equity		
Common equity	4,781,437	4,402,331
General Partner	1	1
Preferred Limited Partners	153,054	153,054
	<u>\$ 6,322,339</u>	<u>\$ 6,036,641</u>

1 The investment in Brookfield Asset Management Inc. consists of approximately 129 million Brookfield with a quoted market value of \$44.50 per share as at March 31, 2021 (December 31, 2020 – \$41.27).

2 Represents \$557 million of retractable preferred shares less \$11 million of unamortized issue costs as at March 31, 2021 (December 31, 2020 – \$706 million less \$12million).

- 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.*

For further information, contact Investor Relations at 416-956-5142.

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.