

NEWS RELEASE

PARTNERS VALUE INVESTMENTS L.P. ANNOUNCES 2021 ANNUAL RESULTS

TORONTO, April 7, 2022 – Partners Value Investments L.P. (the “Partnership”, TSX: PVF.UN TSX:PVF.PR.U) announced today its financial results for the year ended December 31, 2021. All amounts are stated in US dollars.

The Partnership generated net income of \$31 million for the year ended December 31, 2021 compared to \$44 million in the prior year. The net income is lower in the current year due to a foreign currency loss of \$29 million, compared to a \$10 million gain in the prior year, and higher preferred share dividends paid, which were partially offset by an increase in dividend income. The increased dividend income is due to a one-time special dividend-in-kind from Brookfield, which was valued at \$46 million.

In December 2021, the Partnership successfully completed a substantial issuer bid for its Equity LP Units. As a result of the issuer bid, the Partnership repurchased 7,052,230 Equity LP Units and in exchange for cash and issued three new Series of Preferred LP Units (Series 2, 3 and 4). A subsidiary of the Partnership also issued three new Series of Preferred LP Units (Series 1, 2 and 3).

The market price of a Brookfield Asset Management Inc. (“Brookfield”) share was \$60.38 as at December 31, 2021 (2020 – \$41.27).

Consolidated Statements of Operations

*For the years ended December 31
(Thousands, US dollars)*

	2021	2020
Investment income		
Dividends	\$ 117,629	\$ 73,780
Other investment income	5,361	3,305
	<u>122,990</u>	<u>77,085</u>
Expenses		
Operating expenses	(3,249)	(1,485)
Financing costs	(8,896)	(1,979)
Retractable preferred share dividends	(33,628)	(25,618)
	<u>(45,773)</u>	<u>(29,082)</u>
Other items		
Investment valuation losses	(5,739)	(2,394)
Amortization of deferred financing costs	(4,070)	(2,575)
Current tax recovery (expense)	7,816	(1,649)
Deferred tax Expense	(15,024)	(6,877)
Foreign currency (losses) gains	(28,706)	9,781
Net income	<u><u>\$ 31,494</u></u>	<u><u>\$ 44,289</u></u>

Change in Net Book Value

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

For the years ended December 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	24,606	0.27	32,594	0.38
Other comprehensive income ²	2,508,092	29.40	363,175	4.13
Adjustment for impact of warrant ³	2,842	0.04	7,346	0.09
Re-organization ⁴	663,678	7.54	—	—
SIB and Equity LP repurchases ⁵	(493,632)	(6.10)	(4,287)	(0.05)
Net book value, end of period ^{1,6}	<u>\$ 7,482,738</u>	<u>\$ 85.35</u>	<u>\$ 4,777,152</u>	<u>\$ 54.20</u>

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 December 31, 2021 was \$378 million (December 31, 2020 – \$375 million).

2 Attributable to Equity Limited Partners.

3 The basic weighted average number of Equity Limited Partnership ("Equity LP") units outstanding during the year ended December 31, 2021 was 72,953,504. The diluted weighted average number of Equity Limited Partnership ("Equity LP") units available and outstanding during the year ended December 31, 2021 was 87,662,153; this includes the 14,708,648 Equity LP units issued through the exercise of all outstanding warrants.

4 As a result of the re-organization in a subsidiary, the Partnership recognized a reduction in its deferred tax liability mainly through accumulated other comprehensive income. The subsidiary has the ability to allocate capital gains to unitholders of the partnership.

5 As a result of a substantial issuer bid, 5,802,230 Equity LP units were repurchased.

6 At the end of the year, the diluted Equity LP units outstanding were 82,171,127 (December 31, 2020 – 88,056,097).

Financial Profile

The Partnership's principal investment is its interest in 130 million Class A Limited Voting Shares ("Brookfield shares") of Brookfield Asset Management Inc. ("Brookfield"), on a post-split basis. This represents approximately an 8% interest as at December 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 Company's Statement of Financial Position:

Statement of Financial Position

<i>As at</i> <i>(Thousands, US dollars, except per share amounts)</i>	December 31, 2021	December 31, 2020
Assets		
Cash and cash equivalents	\$ 80,704	\$ 316,718
Accounts receivable and other assets	65,418	40,109
Investment in Brookfield Asset Management Inc. ¹	7,869,681	5,313,865
Other investments carried at fair value	344,983	365,949
	<u>\$ 8,360,786</u>	<u>\$ 6,036,641</u>
Liabilities and Equity		
Accounts payable and other liabilities	\$ 7,693	\$ 15,604
Corporate Borrowings	236,513	117,286
Preferred shares ²	835,019	694,148
Deferred taxes ³	23,431	654,217
	<u>1,102,656</u>	<u>1,481,255</u>
Equity		
Common equity	7,258,130	4,555,386
	<u>\$ 8,360,786</u>	<u>\$ 6,036,641</u>

1 The investment in Brookfield Asset Management Inc. consists of 130 million Brookfield shares with a quoted market value of \$60.38 per share as at December 31, 2021 (December 31, 2020 – \$41.27).

2 Represents \$611 million of retractable preferred shares less \$13 million of unamortized issue costs as at December 31, 2021 (December 31, 2020 – \$706 million less \$12 million) and \$152 million of three new series of preferred shares and \$84 million of three new series of preferred shares of a subsidiary of the Partnership, issued in December 2021.

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 ir@pvii.ca or 416-956-5141.

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.