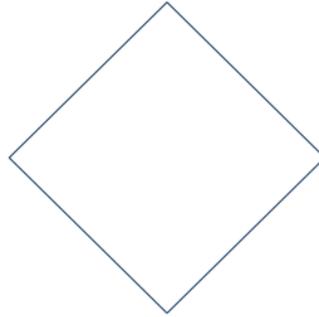


**Brookfield**



2023

Q2 SUPPLEMENTAL  
INFORMATION

# Brookfield Business Partners L.P.

THREE MONTHS ENDED JUNE 30, 2023

All amounts in this Supplemental Information are in U.S. dollars unless otherwise specified. Unless otherwise indicated, the statistical and financial data in this document is presented as at June 30, 2023.

## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS AND INFORMATION

*Note: This Supplemental Information contains “forward-looking information” within the meaning of Canadian provincial securities laws and “forward-looking statements” within the meaning of applicable Canadian and U.S. securities laws. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, include statements regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies and outlook of the partnership, as well as regarding recently completed and proposed acquisitions, dispositions and other transactions, and 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”, “views”, “potential”, “likely” or negative versions thereof and other similar expressions, or future or conditional verbs such as “may”, “will”, “should”, “would” and “could”.*

*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, investors and other readers 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 partnership to differ materially from anticipated future results, performance or achievements 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 include, but are not limited to: general economic conditions and risks relating to the economy, including unfavorable changes in interest rates, foreign exchange rates, inflation and volatility in the financial markets; global equity and capital markets and the availability of equity and debt financing and refinancing within these markets; strategic actions including our ability to complete dispositions and achieve the anticipated benefits therefrom, including the anticipated sale of Westinghouse; the ability to complete and effectively integrate acquisitions into existing operations and the ability to attain expected benefits; changes in accounting policies and methods used to report financial condition (including uncertainties associated with critical accounting assumptions and estimates); the ability to appropriately manage human capital; the effect of applying future accounting changes; business competition; operational and reputational risks; technological change; changes in government regulation and legislation within the countries in which we operate; governmental investigations; litigation; changes in tax laws; ability to collect amounts owed; catastrophic events, such as earthquakes, hurricanes and pandemics/epidemics including COVID-19; the possible impact of international conflicts, wars and related developments including Russia’s invasion of Ukraine, terrorist acts and cyber terrorism; and other risks and factors detailed from time to time in our documents filed with the securities regulators in Canada and the United States including in the “Risk Factors” section in our 2022 Annual Report.*

*Statements relating to “reserves” are deemed to be forward-looking statements as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described herein can be profitably produced in the future. We qualify any and all of our forward-looking statements by these cautionary factors.*

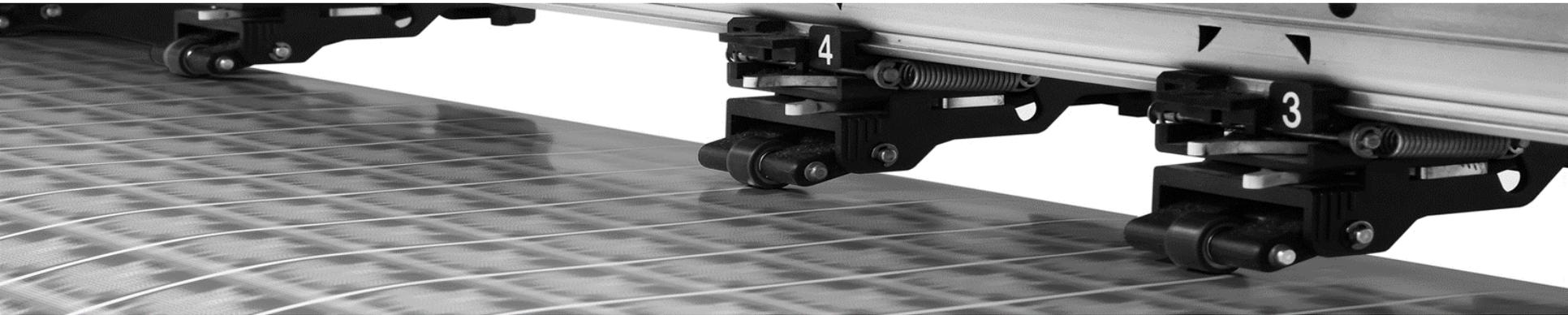
*We caution that the foregoing list of important factors that may affect future results is not exhaustive. When relying on our forward-looking statements and information, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Except as required by law, we undertake 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.*

*For a more comprehensive list of risks and uncertainties, please refer to our 2022 Annual Report under the heading “Risk Factors” available on SEDAR at [www.sedar.com](http://www.sedar.com) and EDGAR at [www.sec.gov](http://www.sec.gov). New risk factors may arise from time to time and it is not possible to predict all of those risk factors or the extent to which any factor or combination of factors may cause actual results, performance or achievements of our partnership to be materially different from those contained in forward-looking statements or information. Given these risks and uncertainties, the reader should not place undue reliance on forward-looking statements or information as a prediction of actual results. Although the forward-looking statements and information contained in this Supplemental Information are based upon what we believe to be reasonable assumptions, we cannot assure investors that actual results will be consistent with these forward-looking statements and information.*

## Cautionary Statement Regarding the Use of Non-IFRS Measures

*This Supplemental Information contains references to Non-IFRS measures. Adjusted EBITDA and Adjusted EBITDA margin are not generally accepted accounting measures under IFRS and therefore may differ from definitions used by other entities. We believe these are useful supplemental measures that may assist investors in assessing the financial performance of Brookfield Business Partners and its subsidiaries. However, Adjusted EBITDA and Adjusted EBITDA margin should not be considered in isolation from, or as a substitute for, analysis of our financial statements prepared in accordance with IFRS.*

*References to Brookfield Business Partners are to Brookfield Business Partners L.P. together with its subsidiaries, controlled affiliates and operating entities. Unitholders’ results include limited partnership units, redemption-exchange units, general partnership units, BBUC exchangeable shares and special limited partnership units. More detailed information on certain references made in this Supplemental Information will be available in our Management’s Discussion and Analysis of Financial Condition and Results of Operations in our interim report for the second quarter ended June 30, 2023 furnished on Form 6-K.*



# Overview

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# Q2 2023 Highlights - Operating Performance

Brookfield

## Key Performance Metrics

US\$ millions (except per unit amounts), unaudited	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022 <sup>(1)</sup>	2023	2022 <sup>(1)</sup>
Net income (loss) attributable to Unitholders	\$ (48)	\$ 137	\$ 26	\$ 153
Net income (loss) per limited partnership unit <sup>(2)</sup>	(0.22)	0.62	0.12	0.72
Adjusted EBITDA <sup>(3)</sup>	606	530	1,228	1,016

## Statements of Operating Results by Segment

US\$ millions, unaudited	Three Months Ended June 30,		Six Months Ended June 30,		Trailing Twelve Months Ended June 30,	
	2023	2022	2023	2022	2023	2022 <sup>(4)</sup>
Adjusted EBITDA by segment						
Business Services	\$ 223	\$ 153	\$ 435	\$ 247	\$ 829	\$ 559
Infrastructure Services	216	205	441	413	900	765
Industrials	196	204	415	421	873	817
Corporate and Other	(29)	(32)	(63)	(65)	(136)	(132)
<b>Adjusted EBITDA</b>	<b>\$ 606</b>	<b>\$ 530</b>	<b>\$ 1,228</b>	<b>\$ 1,016</b>	<b>\$ 2,466</b>	<b>\$ 2,009</b>

### Adjusted EFO by segment

Business Services	\$ 119	\$ 138	\$ 332	\$ 198	\$ 561	\$ 432
Infrastructure Services	88	124	174	263	424	514
Industrials	63	101	225	223	475	465
Corporate and Other	(85)	(34)	(165)	(65)	(278)	(120)

## Financial Performance - Three Months Ended June 30, 2023

- Net loss attributable to Unitholders for the three months ended June 30, 2023 was \$48 million (loss of \$0.22 per limited partnership unit) compared to net income of \$137 million (\$0.62 per limited partnership unit) in the prior period.
- Adjusted EBITDA for the three months ended June 30, 2023 increased to \$606 million from \$530 million in the prior period as a result of increased contribution from our Business Services and Infrastructure Services operating segments. Adjusted EBITDA margin increased to 19%, compared to 18% in the prior period <sup>(5)</sup>.
- Adjusted EFO for the three months ended June 30, 2023 was \$185 million (\$0.85 per unit <sup>(6)</sup>) compared to \$329 million (\$1.51 per unit <sup>(6)</sup>) in the prior period. Excluding the impact of gain (loss) on acquisitions and dispositions, Adjusted EFO for the three months ended June 30, 2023 was \$177 million (\$0.81 per unit <sup>(6)</sup>) compared to \$310 million (\$1.42 per unit <sup>(6)</sup>) in the prior period.
- We ended the quarter with \$1,512 million of liquidity at the corporate level including \$177 million of cash and liquid securities, \$1,310 million of availability on our credit facilities and \$25 million of remaining commitment from Brookfield Corporation to subscribe for up to \$1,500 million of perpetual preferred equity securities. Pro forma for announced and closed transactions corporate liquidity is approximately \$2,230 million.

1. Comparative prior period results have been adjusted in accordance with the new IFRS 17 accounting standard adopted at our residential mortgage insurer on January 1, 2023.

2. Net income (loss) per limited partnership unit calculated as net income (loss) attributable to limited partners divided by the average number of limited partnership units outstanding which was 74.6 million for the three months and six months ended June 30, 2023 (2022: 75.3 million and 76.0 million).

3. Adjusted EBITDA is a non-IFRS measure and is a key measure of our financial performance that we use to assess operating results and our business performance. For further information on Adjusted EBITDA, see "Definitions" section at the end of this Supplemental Information.

4. Results for the three months ended September 30, 2021 and December 31, 2021 have not been adjusted in accordance with the new IFRS 17 accounting standard adopted at our residential mortgage insurer on January 1, 2023.

5. Represents Adjusted EBITDA as a percentage of BBU's proportionate share of revenue for the three months ended June 30, 2023 and June 30, 2022. Excludes contribution from our road fuels operations.

6. Average number of units outstanding on a fully diluted time-weighted average basis for the three months ended June 30, 2023 was 217.3 million (2022: 218.0 million).

## Other Developments

- On June 9, 2023, we reached an agreement together with institutional partners to acquire Network International (“Network”) for approximately \$3 billion. The transaction will be funded with approximately \$1.9 billion of equity, of which we expect our share to be approximately \$150 million. The balance of equity will be funded by institutional partners.
- On June 18, 2023, our road fuels distribution operation reached an agreement to sell its North American retail gas station assets for total consideration of approximately \$460 million, including a vendor take-back note. Our share of proceeds is expected to be approximately \$75 million including the repayment of the note. The transaction is expected to close in the second half of 2023.

## Subsequent Events

- On July 3, 2023, we sold most of our automotive aftermarket parts remanufacturing operation to a larger competitor in exchange for cash proceeds and a royalty interest. We have invested \$432 million in the business since our initial involvement. Cash proceeds from the sale of approximately \$125 million were used to extinguish existing debt within the business and the royalty we expect to receive on the performance of the combined business is capped at approximately \$160 million. We retained a small portion of our automotive aftermarket parts remanufacturing operation which may be sold for additional proceeds in the future.
- On August 3, 2023, the Board of Directors of the General Partner of the Partnership and BBUC declared a quarterly distribution and quarterly dividend in the amount of \$0.0625 per unit and share, respectively, payable on September 29, 2023 to unitholders and shareholders of record as at the close of business on August 31, 2023.

# Q2 2023 Highlights - Balance Sheet & Liquidity

Brookfield

## Key Balance Sheet Metrics

US\$ millions, unaudited	As at	
	June 30, 2023	December 31, 2022 <sup>(2)</sup>
Total assets	\$ 90,314	\$ 89,250
Non-recourse borrowings in subsidiaries of Brookfield Business Partners <sup>(1)</sup>	44,908	44,593
Corporate borrowings	1,990	2,100
Total equity	18,892	18,429
<b>Proportionate borrowings</b>		
Business Services	\$ 4,683	\$ 4,545
Infrastructure Services	5,321	5,183
Industrials	4,348	4,509
Corporate and Other	1,990	2,100
	\$ 16,342	\$ 16,337
<b>Proportionate share of cash</b>		
Business Services	\$ 642	\$ 586
Infrastructure Services	308	270
Industrials	153	190
Corporate and Other	52	123
	\$ 1,155	\$ 1,169
<b>Proportionate borrowings, net of cash</b>		
Business Services	\$ 4,041	\$ 3,959
Infrastructure Services	5,013	4,913
Industrials	4,195	4,319
Corporate and Other	1,938	1,977
	\$ 15,187	\$ 15,168

## Corporate Liquidity

US\$ millions, unaudited	As at	
	June 30, 2023	December 31, 2022
Corporate cash and financial assets	\$ 177	\$ 392
Committed corporate credit facilities	1,310	1,200
Perpetual preferred equity securities	25	25
<b>Total liquidity</b>	<b>\$ 1,512</b>	<b>\$ 1,617</b>

## Pro Forma Corporate Liquidity

US\$ millions, unaudited	Three Months Ended June 30, 2023	
<b>Total corporate liquidity, beginning of period</b>	<b>\$ 1,577</b>	
Distributions, dispositions and other <sup>(3)</sup>		1,440
Acquisitions and investments <sup>(4)</sup>		(785)
<b>Pro forma corporate liquidity, end of period</b>	<b>\$ 2,232</b>	

- Includes proportionate share of borrowings made under subscription facilities of Brookfield Funds that Brookfield Business Partners invests alongside.
- Comparative prior period results have been adjusted in accordance with the new IFRS 17 accounting standard adopted at our residential mortgage insurer on January 1, 2023.
- Distributions, dispositions and other of approximately \$1.4 billion reflects approximately \$1.8 billion of expected proceeds from the announced sale of Brookfield Business Partners' 44% interest in Westinghouse, less the accrued interest and proceeds generated from a dividend recapitalization (\$315 million net to Brookfield Business Partners) completed during the three months ended June 30, 2022.
- Relates to the remaining funding of recently announced and closed acquisitions and investments, subject to the timing of capital funding notices from Brookfield Funds that Brookfield Business Partners invests alongside.

## Units and Shares Outstanding

	As at		
	June 30, 2023	December 31, 2022	June 30, 2022
Limited partnership units	74,613,125	74,612,503	74,610,828
Redemption-exchange units	69,705,497	69,705,497	69,705,497
BBUC exchangeable shares	72,954,963	72,955,585	72,957,260
General partnership and special limited partnership units	8	8	8
<b>Total outstanding</b>	<b>217,273,593</b>	217,273,593	217,273,593

## Partnership Capital Structure<sup>(1)</sup>

US\$ millions (except price and unit amount), unaudited	As at	
	June 30, 2023	December 31, 2022
Partnership units outstanding (in millions) <sup>(2)</sup>	144.3	144.3
Price <sup>(3)</sup>	\$ 17.37	\$ 16.90
Partnership market capitalization	\$ 2,506	\$ 2,439
BBUC exchangeable shares outstanding (in millions)	73.0	73.0
Price <sup>(3)</sup>	\$ 18.88	\$ 18.79
BBUC market capitalization	\$ 1,378	\$ 1,372
Total market capitalization	\$ 3,884	\$ 3,811
Preferred securities	1,475	1,475
Proportionate non-recourse borrowings, net of cash	13,249	13,191
Corporate borrowings, net of cash	1,938	1,977
Enterprise value (EV)	\$ 20,546	\$ 20,454

1. The table presents supplemental measures to assist users in understanding and evaluating the Partnership's capital structure.

2. Partnership units outstanding are inclusive of limited partnership units, redemption-exchange units, special limited partnership units and general partnership units.

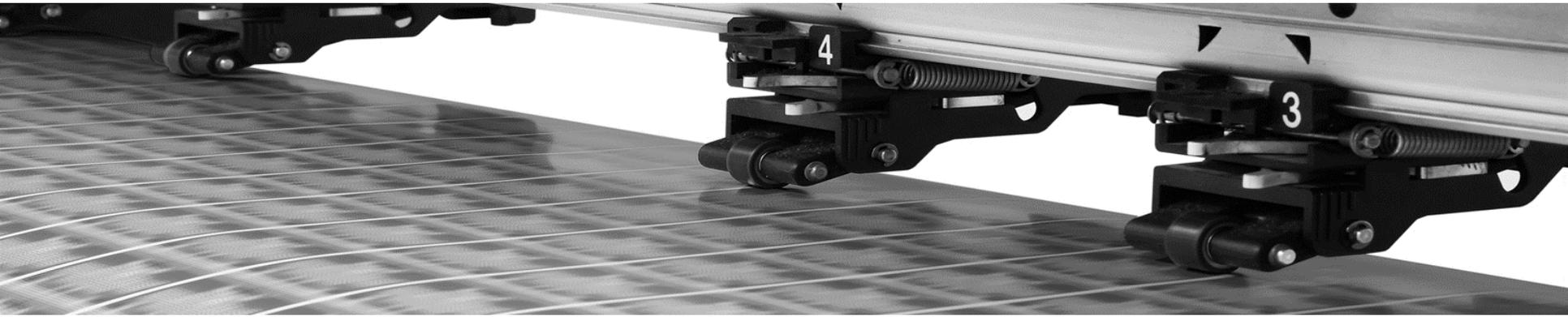
3. TSX: BBU.UN translated to USD at June 30, 2023 and December 31, 2022, respectively at the closing CAD-USD foreign exchange rate. NYSE: BBUC at June 30, 2023 and December 31, 2022, respectively.

## Incentive Distribution Right

- The Special Limited Partner is entitled to an incentive distribution of 20% based on the volume-weighted average increase in the Partnership's unit price over an incentive distribution threshold multiplied by the number of units and shares outstanding at the end of the quarter. The incentive distribution is recorded as a distribution in equity once approved by the Board of Directors of the Partnership's General Partner.
- During the second quarter of 2023, the volume-weighted average price per limited partnership unit was \$18.08, which was below the incentive distribution threshold of \$31.53 per limited partnership unit. This resulted in an incentive distribution of \$nil.

## Normal Course Issuer Bid ("NCIB")

- Under our NCIB, Brookfield Business Partners and its affiliates are authorized to repurchase annually up to 5% of their issued and outstanding limited partnership units, or 3,730,593 units, including up to 17,678 units on the TSX during any trading day. Brookfield Business Partners and its affiliates can make block purchases that exceed this daily purchase restriction, subject to the annual aggregate limit.
  - During the three and six months ended June 30, 2023, the partnership repurchased and canceled nil limited partnership units under our NCIB.
  - During the three and six months ended June 30, 2023, Brookfield Corporation, as an affiliate, purchased nil and 374,533 limited partnership units, respectively, under our NCIB.



# Operating Segments

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- Our strategy is to acquire and manage high-quality operations that provide essential products and services and benefit from a strong competitive position.
- We target long-term capital appreciation driven by both organic growth and acquisitions where we can apply our expertise to improve operations and enhance cash flows.
- Our business is principally focused on activities and operations where the broader Brookfield platform provides us with a competitive advantage.
- The table below presents our economic ownership interest in our more significant operations. Adjusted EBITDA and Adjusted EFO presented in this Supplemental Information represent our proportionate share based on our economic ownership interest in our underlying operations.

Segment	Description	Select Operations	Economic Ownership Interest <sup>(1)</sup>
<b>Business Services</b>	Service businesses including residential mortgage insurance, dealer software and technology services, healthcare services, fleet management and car rental services and other	• Residential Mortgage Insurer (“Sagen”)	• 41%
		• Dealer Software and Technology Services (“CDK Global”)	• 25% <sup>(2)</sup>
		• Healthcare Services (“Healthscope”)	• 28%
		• Fleet Management and Car Rental Services (“Unidas”)	• 35%
<b>Infrastructure Services</b>	Infrastructure businesses servicing large-scale infrastructure assets, including lottery services, modular building leasing services, offshore oil services and other	• Lottery Services (“Scientific Games”)	• 33% <sup>(2)</sup>
		• Modular Building Leasing Services (“Modulaire”)	• 28% <sup>(2)</sup>
		• Offshore Oil Services (“Altera”)	• 53%
<b>Industrials</b>	Industrial businesses including advanced energy storage operations, engineered components manufacturing and other	• Advanced Energy Storage Operations (“Clarios”)	• 28%
		• Engineered Components Manufacturing (“DexKo”)	• 33%

1. As at June 30, 2023. Does not include impact of subsequent events, unless otherwise noted.

2. Expected Brookfield Business Partners' economic ownership interest subject to the finalization of institutional partner participation and syndication.

The following table presents our proportionate share of our Business Services segment financial results:

US\$ millions, unaudited	Three Months Ended June 30 <sup>(1)</sup> ,		Six Months Ended June 30,	
	2023	2022	2023	2022
Revenues	\$ 2,255	\$ 2,468	\$ 4,465	\$ 4,742
Direct operating costs	(2,004)	(2,296)	(3,971)	(4,455)
General and administrative expenses	(43)	(34)	(88)	(64)
Equity accounted Adjusted EBITDA	15	15	29	24
<b>Adjusted EBITDA</b>	<b>\$ 223</b>	<b>\$ 153</b>	<b>\$ 435</b>	<b>\$ 247</b>
Gain (loss) on acquisitions / dispositions, net	22	—	89	—
Gain (loss) on acquisitions / dispositions, net recorded in equity	8	19	14	19
Other income (expense), net	—	—	—	1
Interest income (expense), net	(79)	(18)	(140)	(43)
Current income tax (expense) recovery	(51)	(14)	(59)	(22)
Equity accounted Adjusted EFO	(4)	(2)	(7)	(4)
<b>Adjusted EFO</b>	<b>\$ 119</b>	<b>\$ 138</b>	<b>\$ 332</b>	<b>\$ 198</b>

The following table presents select balance sheet information of our Business Services segment on a proportionate basis:

US\$ millions, unaudited	As at	
	June 30, 2023	December 31, 2022 <sup>(2)</sup>
Cash	\$ 642	\$ 586
Non-recourse borrowings in subsidiaries of Brookfield Business Partners	4,683	4,545
Proportionate borrowings, net of cash	\$ 4,041	\$ 3,959
Equity attributable to Unitholders	3,790	3,340

## Financial Results - Three Months Ended June 30, 2023

- Adjusted EBITDA for the three months ended June 30, 2023 was \$223 million compared to \$153 million in the prior period.
  - Our residential mortgage insurer generated \$46 million of Adjusted EBITDA in Q2 2023, compared to \$61 million in Q2 2022. The impact of higher mortgage rates on borrowers has led to reduced housing activity and lower levels of new insurance premiums. As a result, performance has normalized compared to exceptionally strong levels in the prior period. Mortgage delinquencies and loss ratios have remained low relative to historic levels but are expected to revert to long-term averages over time. Prior period results have been adjusted in accordance with the new IFRS 17 accounting standard that was adopted on January 1, 2023.
  - Dealer software and technology services, which we acquired in July 2022, generated \$56 million of Adjusted EBITDA in Q2 2023. The impact of our ongoing value creation initiatives and continued subscription-based revenue growth contributed to strong margin performance and EBITDA contribution during the quarter.
  - Fleet management and car rental services generated \$35 million of Adjusted EBITDA in Q2 2023, compared to \$14 million in Q2 2022. Results benefited from higher utilization of the heavy equipment fleet and contribution from an expansion into rental car services.
  - Healthcare services generated \$16 million of Adjusted EBITDA in Q2 2023, compared to \$21 million in Q2 2022. While activity levels at most of our hospitals are improving, expenses remain elevated with the year-over-year increase in the cost of labor and medical and surgical supplies.
- Adjusted EFO decreased by \$19 million, primarily due to the impact of higher interest and current tax expense. The increase in current tax expense is primarily due to the timing of taxation on the contractual service margin recorded on the adoption of IFRS 17 at our residential mortgage insurer.

1. Adjusted EBITDA margin in our Business Services segment excluding results from our road fuels operations was 17% and 12% in Q2 2023 and Q2 2022, respectively.  
 2. Comparative prior period results have been adjusted in accordance with the new IFRS 17 accounting standard adopted at our residential mortgage insurer on January 1, 2023.

The following table presents our proportionate share of our Infrastructure Services segment financial results:

US\$ millions, unaudited	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Revenues	\$ 789	\$ 706	\$ 1,601	\$ 1,318
Direct operating costs	(574)	(507)	(1,160)	(908)
General and administrative expenses	(43)	(33)	(86)	(62)
Equity accounted Adjusted EBITDA	44	39	86	65
<b>Adjusted EBITDA</b>	<b>\$ 216</b>	<b>\$ 205</b>	<b>\$ 441</b>	<b>\$ 413</b>
Gain (loss) on acquisitions / dispositions, net	—	—	6	—
Other income (expense), net	6	9	6	(1)
Interest income (expense), net	(109)	(70)	(212)	(117)
Current income tax (expense) recovery	(6)	(6)	(30)	(10)
Equity accounted Adjusted EFO	(19)	(14)	(37)	(22)
<b>Adjusted EFO</b>	<b>\$ 88</b>	<b>\$ 124</b>	<b>\$ 174</b>	<b>\$ 263</b>

The following table presents select balance sheet information of our Infrastructure Services segment on a proportionate basis:

US\$ millions, unaudited	As at	
	June 30, 2023	December 31, 2022
Cash	\$ 308	\$ 270
Non-recourse borrowings in subsidiaries of Brookfield Business Partners	5,321	5,183
Proportionate borrowings, net of cash	\$ 5,013	\$ 4,913
Equity attributable to Unitholders	1,704	1,588

## Financial Results - Three Months Ended June 30, 2023

- Adjusted EBITDA for the three months ended June 30, 2023 was \$216 million compared to \$205 million in the prior period.
  - Offshore oil services generated \$45 million of Adjusted EBITDA in Q2 2023, compared to \$56 million in Q2 2022. Results reflect the impact of reduced contribution from FPSO operations. Prior period results benefited from contributions from a large FPSO vessel which has since rolled off contract and profit sharing agreements tied to the oil price and production volumes of customers.
  - Modular building leasing services generated \$41 million of Adjusted EBITDA in Q2 2023, in line with Q2 2022. Resilient utilization levels in Germany, France and Asia Pacific were offset by reduced activity in parts of Europe, including the U.K. The business continues to focus on increased penetration of higher margin value-added products and services which is contributing to results.
  - Our lottery services operations generated \$37 million of Adjusted EBITDA in Q2 2023, compared to \$25 million in Q2 2022. Increased technology and hardware systems sales, easing inflationary cost headwinds and cost savings initiatives supported performance during the quarter.
- Adjusted EFO decreased by \$36 million, primarily due to the impact of higher interest expense as a result of increased borrowings and higher interest rates at nuclear technology services and higher interest rates in offshore oil services.

The following table presents our proportionate share of our Industrials segment financial results:

US\$ millions, unaudited	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Revenues	\$ 1,084	\$ 1,120	\$ 2,237	\$ 2,227
Direct operating costs	(868)	(906)	(1,780)	(1,787)
General and administrative expenses	(36)	(33)	(73)	(65)
Equity accounted Adjusted EBITDA	16	23	31	46
<b>Adjusted EBITDA</b>	<b>\$ 196</b>	<b>\$ 204</b>	<b>\$ 415</b>	<b>\$ 421</b>
Gain (loss) on acquisitions / dispositions, net recorded in equity	—	—	64	—
Other income (expense), net	1	—	2	—
Interest income (expense), net	(104)	(81)	(201)	(149)
Current income tax (expense) recovery	(24)	(17)	(44)	(39)
Equity accounted Adjusted EFO	(6)	(5)	(11)	(10)
<b>Adjusted EFO</b>	<b>\$ 63</b>	<b>\$ 101</b>	<b>\$ 225</b>	<b>\$ 223</b>

The following table presents select balance sheet information of our Industrials segment on a proportionate basis:

US\$ millions, unaudited	As at	
	June 30, 2023	December 31, 2022
Cash	\$ 153	\$ 190
Non-recourse borrowings in subsidiaries of Brookfield Business Partners	4,348	4,509
Proportionate borrowings, net of cash	\$ 4,195	\$ 4,319
Equity attributable to Unitholders	2,401	2,352

## Financial Results - Three Months Ended June 30, 2023

- Adjusted EBITDA for the three months ended June 30, 2023 was \$196 million compared to \$204 million in the prior period.
  - Advanced energy storage operations generated \$113 million of Adjusted EBITDA in Q2 2023, compared to \$105 million in Q2 2022. Overall volumes benefited from growing advanced battery demand and a continued recovery in auto manufacturer production. Increased sales of higher margin batteries and global pricing actions to offset the impact of inflationary cost pressures contributed to results. Performance during the quarter was impacted by a labor strike and downtime at one of the operations' larger U.S. production facilities.
  - Engineered components manufacturing generated \$44 million of Adjusted EBITDA in Q2 2023, in line with Q2 2022. Improved margin performance as a result of cost and commercial optimization initiatives was partially offset by the impact of reduced volumes. Results included the benefit of recent add-on acquisitions.
- Adjusted EFO decreased by \$38 million, primarily due to higher interest expense, combined with the impact of higher tax expense in advanced energy storage operations.

The following table presents our proportionate share of our Corporate and Other segment financial results:

US\$ millions, unaudited	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Revenues	\$ —	\$ —	\$ —	\$ —
Direct operating costs	(3)	(6)	(11)	(12)
General and administrative expenses	(26)	(26)	(52)	(53)
Equity accounted Adjusted EBITDA	—	—	—	—
<b>Adjusted EBITDA</b>	<b>\$ (29)</b>	<b>\$ (32)</b>	<b>\$ (63)</b>	<b>\$ (65)</b>
Interest income (expense), net	(34)	(18)	(65)	(29)
Current income tax (expense) recovery	—	16	7	29
Preferred equity distributions	(22)	—	(44)	—
<b>Adjusted EFO</b>	<b>\$ (85)</b>	<b>\$ (34)</b>	<b>\$ (165)</b>	<b>\$ (65)</b>

The following table presents select balance sheet information of our Corporate and Other segment on a proportionate basis:

US\$ millions, unaudited	As at	
	June 30, 2023	December 31, 2022
Cash	\$ 52	\$ 123
Corporate borrowings	1,990	2,100
Proportionate borrowings, net of cash	\$ 1,938	\$ 1,977
Equity attributable to Unitholders	(3,655)	(3,176)

## Financial Results - Three Months Ended June 30, 2023

- General and administrative expenses are comprised of management fees and corporate expenses, including audit and other expenses.
- We pay Brookfield a base management fee equal to 0.3125% quarterly (1.25% annually) of total capitalization, plus recourse debt, net of cash and other securities held by corporate entities. Management fees were \$23 million, in line with the prior period.
- Adjusted EFO in the current period included higher interest expense due to the impact of higher interest rates, combined with distributions on preferred equity securities.
  - Prior period included a current income tax recovery of \$16 million primarily related to corporate expenses, including management fees, which were used to offset taxable income within our other operating segments. A deferred income tax recovery of \$15 million was excluded from Adjusted EFO during the quarter, which will be carried forward and utilized to offset taxable income in the future periods.

# Summary of Segment & Significant Operations Performance

Brookfield

The following tables present selected financial results of our significant operations:

US\$ millions, unaudited		Three Months Ended June 30, 2023		Three Months Ended June 30, 2022	
Segment	Operations	Adjusted EBITDA	Adjusted EFO	Adjusted EBITDA	Adjusted EFO
Business Services	Sagen	\$ 46	\$ 28	\$ 61	\$ 56
	CDK Global	56	21	—	—
	Healthscope	16	6	21	12
	Unidas	35	17	14	11
	Other <sup>(1)</sup>	70	47	57	59
	<b>Total</b>	<b>\$ 223</b>	<b>\$ 119</b>	<b>\$ 153</b>	<b>\$ 138</b>
Infrastructure Services	Scientific Games	37	12	25	5
	Modulaire	41	16	41	22
	Altera	45	28	56	50
	Westinghouse	60	18	58	34
	Other <sup>(1)</sup>	33	14	25	13
	<b>Total</b>	<b>\$ 216</b>	<b>\$ 88</b>	<b>\$ 205</b>	<b>\$ 124</b>
Industrials	Clarios	113	43	105	51
	DexKo	44	19	44	27
	Other	39	1	55	23
	<b>Total</b>	<b>\$ 196</b>	<b>\$ 63</b>	<b>\$ 204</b>	<b>\$ 101</b>
Corporate and Other		\$ (29)	\$ (85)	\$ (32)	\$ (34)
<b>Total BBU</b>		<b>\$ 606</b>	<b>\$ 185</b>	<b>\$ 530</b>	<b>\$ 329</b>

1. Results from construction and work access services operations are now included in Other within Business Services and Infrastructure Services, respectively.

# Summary of Segment & Significant Operations Performance

Brookfield

The following tables present selected financial results of our significant operations:

US\$ millions, unaudited		Six Months Ended June 30, 2023		Six Months Ended June 30, 2022	
Segment	Operations	Adjusted EBITDA	Adjusted EFO	Adjusted EBITDA	Adjusted EFO
Business Services	Sagen	\$ 93	\$ 71	\$ 112	\$ 103
	CDK Global	105	46	—	—
	Healthscope	30	12	34	16
	Unidas	69	35	23	18
	Other <sup>(1)(2)</sup>	138	168	78	61
	<b>Total</b>	<b>\$ 435</b>	<b>\$ 332</b>	<b>\$ 247</b>	<b>\$ 198</b>
Infrastructure Services	Scientific Games	71	21	25	5
	Modulaire	78	33	81	41
	Altera	101	59	126	102
	Westinghouse	135	45	139	92
	Other <sup>(1)</sup>	56	16	42	23
	<b>Total</b>	<b>\$ 441</b>	<b>\$ 174</b>	<b>\$ 413</b>	<b>\$ 263</b>
Industrials	Clarios	242	109	217	107
	DexKo	88	38	86	54
	Other <sup>(3)</sup>	85	78	118	62
	<b>Total</b>	<b>\$ 415</b>	<b>\$ 225</b>	<b>\$ 421</b>	<b>\$ 223</b>
Corporate and Other		\$ (63)	\$ (165)	\$ (65)	\$ (65)
<b>Total BBU</b>		<b>\$ 1,228</b>	<b>\$ 566</b>	<b>\$ 1,016</b>	<b>\$ 619</b>

- Results from construction and work access services operations are now included in Other within Business Services and Infrastructure Services, respectively.
- Adjusted EFO for the six months ended June 30, 2023 included a \$67 million net gain recognized on the sale of our residential property management operation.
- Adjusted EFO for the six months ended June 30, 2023 included a \$64 million net gain recognized on the sale of public securities.

# Summary of Segment & Significant Operations Performance

Brookfield

The following tables present selected financial results of our significant operations:

US\$ millions, unaudited		Trailing Twelve Months Ended June 30, 2023		Trailing Twelve Months Ended June 30, 2022 <sup>(5)</sup>	
Segment	Operations	Adjusted EBITDA	Adjusted EFO	Adjusted EBITDA	Adjusted EFO
Business Services	Sagen	\$ 177	\$ 128	\$ 264	\$ 209
	CDK Global <sup>(1)</sup>	194	84	—	—
	Healthscope	60	27	66	31
	Unidas <sup>(1)</sup>	105	58	40	31
	Other <sup>(2)(3)</sup>	293	264	189	161
	<b>Total</b>	<b>\$ 829</b>	<b>\$ 561</b>	<b>\$ 559</b>	<b>\$ 432</b>
Infrastructure Services	Scientific Games <sup>(1)</sup>	144	49	25	5
	Modulaire	155	76	88	38
	Altera	183	112	259	205
	Westinghouse	310	147	310	224
	Other <sup>(2)</sup>	108	40	83	42
	<b>Total</b>	<b>\$ 900</b>	<b>\$ 424</b>	<b>\$ 765</b>	<b>\$ 514</b>
Industrials	Clarios	507	224	470	248
	DexKo	143	55	116	79
	Other <sup>(4)</sup>	223	196	231	138
	<b>Total</b>	<b>\$ 873</b>	<b>\$ 475</b>	<b>\$ 817</b>	<b>\$ 465</b>
Corporate and Other		\$ (136)	\$ (278)	\$ (132)	\$ (120)
<b>Total BBU</b>		<b>\$ 2,466</b>	<b>\$ 1,182</b>	<b>\$ 2,009</b>	<b>\$ 1,291</b>

1. Figures represent post-acquisition date results.

2. Results from construction and work access services operations are now included in Other within Business Services and Infrastructure Services, respectively.

3. Adjusted EFO for the trailing twelve months ended June 30, 2023 included a \$67 million net gain recognized on the sale of our residential property management operation.

4. Adjusted EFO for the trailing twelve months ended June 30, 2023 included a \$93 million net gain recognized on the sale of public securities.

5. Results for the three months ended September 30, 2021 and December 31, 2021 have not been adjusted in accordance with the new IFRS 17 accounting standard adopted at our residential mortgage insurer on January 1, 2023.

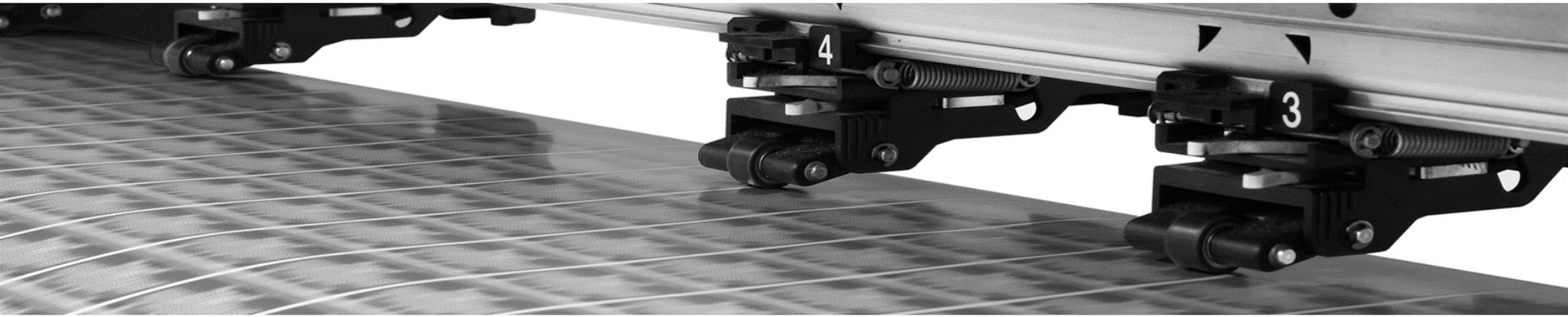
# Reconciliation from Adjusted EBITDA to Adjusted EFO

The following table presents our reconciliation from Adjusted EBITDA to Adjusted EFO:

US\$ millions, unaudited	Three Months Ended June 30,	
	2023	2022
<b>Adjusted EBITDA</b>	\$ 606	\$ 530
Gain (loss) on acquisitions / dispositions, net recorded in equity	8	19
Other income (expense), net	7	9
Equity accounted Adjusted EFO	(29)	(21)
Interest income (expense), net		
Attributable to non-recourse borrowings at operating subsidiaries	(292)	(169)
Attributable to corporate borrowings	(34)	(18)
Current income tax (expense) recovery, net	(59)	(21)
Preferred equity distributions	(22)	—
<b>Adjusted EFO</b>	\$ 185	\$ 329

## Financial Performance - Three Months Ended June 30, 2023

- **Adjusted EBITDA** for the three months ended June 30, 2023 increased to \$606 million compared to \$530 million for the three months ended June 30, 2022, led by increased contribution from our Business Services and Infrastructure Services operating segments.
- **Adjusted EFO** for the three months ended June 30, 2023 decreased to \$185 million compared to \$329 million for the three months ended June 30, 2022, primarily due to higher interest and current tax expense.
  - **Interest expense, net attributable to non-recourse borrowings at operating subsidiaries** increased \$123 million compared to the prior period. \$63 million of the increase was due to higher borrowings associated with recent acquisitions, including add-on acquisitions completed within our operations. \$60 million of the increase was primarily due to the impact of higher interest rates.
  - **Interest expense, net attributable to corporate borrowings** increased \$16 million compared to the prior period, primarily due to the impact of higher interest rates.
  - **Preferred equity distributions** of \$22 million was attributable to the issuance of preferred equity securities to Brookfield Corporation.
  - **Current income tax expense, net** increased \$38 million compared to the prior period, primarily due to higher tax expense at our residential mortgage insurer.



## Proportionate Statements of Operating Results & Financial Position

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# Proportionate Statements of Operating Results

Brookfield

The following table presents our proportionate share <sup>(1)</sup> of the statements of operating results:

US\$ millions, unaudited	Three Months Ended June 30,	
	2023	2022
Revenues	\$ 4,128	\$ 4,294
Direct operating costs	(3,743)	(3,977)
General and administrative expenses	(148)	(126)
Interest income (expense), net	(326)	(187)
Equity accounted income (loss), net	12	26
Impairment reversal (expense), net	(3)	41
Gain (loss) on acquisitions / dispositions, net	22	—
Other income (expense), net	23	(78)
Income (loss) before income tax	\$ (35)	\$ (7)
Income tax (expense) recovery		
Current	(81)	(21)
Deferred	90	165
	\$ (26)	\$ 137
<b>Attributable to:</b>		
Limited partners	\$ (16)	\$ 47
Redemption-exchange units	(16)	44
BBUC exchangeable shares	(16)	46
Preferred securities	22	—

## Financial Performance - Three Months Ended June 30, 2023

- **Revenues and direct operating costs** decreased by \$166 million and \$234 million, respectively. The decrease was primarily driven by lower prices and volumes at our road fuels operations. The decrease was partially offset by contributions from recent acquisitions, including add-on acquisitions completed within our operations.
- **Interest expense, net** increased by \$139 million primarily due to higher borrowings associated with recent acquisitions, including add-on acquisitions completed within our operations and the impact of higher rates.
- **Other income, net** of \$23 million primarily relates to a gain recognized on a sale and leaseback transaction in healthcare services, partially offset by a loss recognized on the modification of debt in advanced energy storage operations.
- **Net tax recovery** of \$9 million in Q2 2023 compared to a net recovery of \$144 million in Q2 2022. Prior period recovery included higher deferred tax assets in nuclear technology services.

1. Proportionate Statements are non-IFRS statements that represent the Partnership's share of operating performance and financial position. For further information on Proportionate Statements, see "Definitions" section at the end of this Supplemental Information.

# Proportionate Statements of Financial Position

Brookfield

The following table presents our proportionate share <sup>(1)</sup> of the statements of financial position:

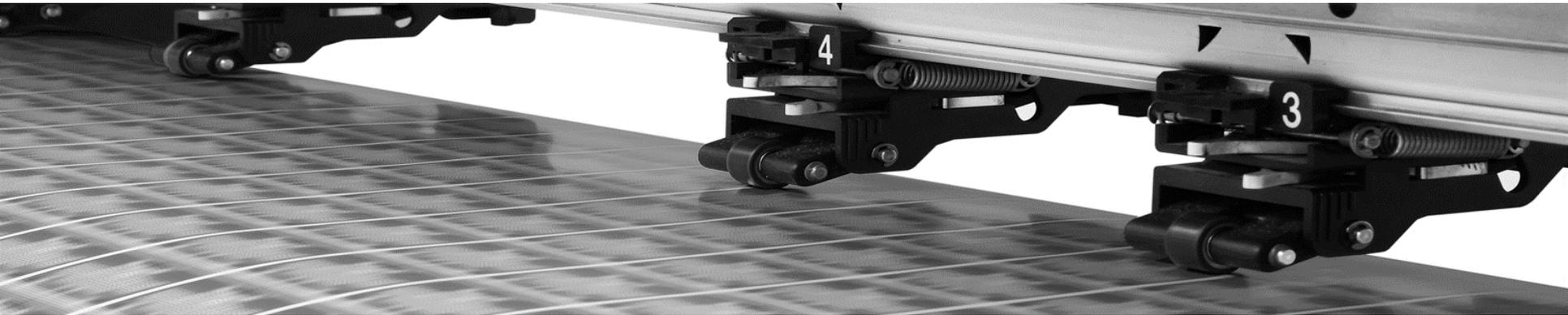
US\$ millions, unaudited	As at	
	June 30, 2023	December 31, 2022 <sup>(2)</sup>
<b>Assets</b>		
Cash and cash equivalents	\$ 1,155	\$ 1,169
Financial assets	4,808	4,631
Accounts and other receivable, net	2,932	3,015
Inventory and other assets	2,834	2,567
Property, plant and equipment	5,764	5,384
Deferred income tax assets	522	480
Intangible assets	6,979	7,093
Equity accounted investments	1,230	1,209
Goodwill	4,764	4,621
	<b>\$ 30,988</b>	<b>\$ 30,169</b>
<b>Liabilities</b>		
Corporate borrowings	\$ 1,990	\$ 2,100
Accounts payable and other	7,904	7,232
Non-recourse borrowings in subsidiaries of the Partnership	14,352	14,237
Deferred income tax liabilities	1,012	1,006
	<b>\$ 25,258</b>	<b>\$ 24,575</b>
Equity attributable to Unitholders	\$ 4,240	\$ 4,104
Preferred securities	1,490	1,490
	<b>\$ 5,730</b>	<b>\$ 5,594</b>

## Financial Position as at June 30, 2023

- **Cash and cash equivalents** included \$642 million in our Business Services segment, \$308 million in our Infrastructure Services segment, \$153 million in our Industrials segment and \$52 million of Corporate cash.
- **Inventory and other assets** increased by \$267 million. Other assets increased primarily due to net increase in assets held for sale in our operations.
- **Property, plant and equipment** increased by \$380 million primarily due to our increased ownership interest in offshore oil services, an increase in rental equipment at fleet management and car rental services, combined with the recent add-on acquisition at modular building leasing services. The increase was partially offset by regular depreciation of property, plant and equipment.
- **Goodwill** increased by \$143 million primarily due to changes in our ownership interest of recently acquired operations.
- **Accounts payable and other** increased by \$672 million, primarily due to changes in our ownership interest in offshore oil services and dealer software and technology services, combined with higher accounts payable and accrued liabilities in construction operations, payment processing services and nuclear technology services. The increase was partially offset by lower other liabilities as a result of a sale and leaseback transaction in healthcare services.
- **Non-recourse borrowings in subsidiaries of Brookfield Business Partners** increased by \$115 million, primarily due to changes in our ownership interest of recently acquired operations, combined with funding related to the recent add-on acquisition at modular building leasing services.

1. Proportionate Statements are non-IFRS statements that represent the Partnership's share of operating performance and financial position. For further information on Proportionate Statements, see "Definitions" section at the end of this Supplemental Information.

2. Comparative prior period results have been adjusted in accordance with the new IFRS 17 accounting standard adopted at our residential mortgage insurer on January 1, 2023.



# Appendix

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# Acquisitions since Spin-Off

The following table summarizes acquisitions we have completed since spin-off of the Partnership on June 20, 2016:

Segment	Operations	Acquisition Date	Invested Capital <sup>(1)</sup>	Economic Ownership Interest <sup>(2)</sup>
Business Services	Greenergy	May 2017	\$88 million	18%
	One Toronto Gaming	January 2018	\$6 million	14%
	Imagine	October 2018	\$85 million	36%
	Healthscope	June 2019	\$293 million	28%
	Unidas	July 2019	\$206 million	35%
	Sagen	December 2019	\$855 million	41%
	IndoStar	July 2020	\$105 million	20%
	Everise	January 2021	\$61 million	28%
	La Trobe	May 2022	\$208 million <sup>(3)</sup>	28% <sup>(3)</sup>
	CDK Global	July 2022	\$700 million <sup>(3)</sup>	25% <sup>(3)</sup>
	Magnati	August 2022	\$68 million	22%
Nielsen	October 2022	\$400 million	7% <sup>(4)</sup>	
Infrastructure Services	Altera	September 2017	\$800 million	53%
	Westinghouse	August 2018	\$405 million	44%
	BrandSafway	January 2020	\$445 million	17%
	Modulaire	December 2021	\$460 million <sup>(3)</sup>	28% <sup>(3)</sup>
	Scientific Games	April 2022	\$785 million <sup>(3)</sup>	33% <sup>(3)</sup>
Industrials	BRK Ambiental	April 2017	\$421 million	26%
	Schoeller	May 2018	\$45 million	14%
	Clarios	April 2019	\$820 million	28%
	Cardone	February 2020	\$432 million	75%
	Aldo	August 2021	\$121 million	35%
	DexKo	October 2021	\$479 million	33%
	Cupa	May 2022	\$100 million	23%

1. Figures presented are attributable to Unitholders.

2. As at June 30, 2023, does not include impact of subsequent events, unless otherwise noted.

3. Expected Brookfield Business Partners' invested capital and economic ownership interest subject to the finalization of institutional partner participation and syndication.

4. Represents common equity on an as-converted basis.

# Summary of Proportionate Results by Quarter

Brookfield

The following table presents our proportionate results from operations for the five most recent quarters:

US\$ millions, unaudited	2023		2022		
	Q2	Q1	Q4	Q3	Q2
Revenues	\$ 4,128	\$ 4,175	\$ 4,441	\$ 4,393	\$ 4,294
Direct operating costs	(3,743)	(3,765)	(3,997)	(4,011)	(3,977)
General and administrative expenses	(148)	(151)	(146)	(143)	(126)
Interest income (expense), net	(326)	(292)	(269)	(242)	(187)
Equity accounted income (loss), net	12	8	14	17	26
Impairment reversal (expense), net	(3)	—	(3)	(4)	41
Gain (loss) on acquisitions / dispositions, net	22	73	12	4	—
Other income (expense), net	23	68	(66)	(71)	(78)
Income (loss) before income tax	\$ (35)	\$ 116	\$ (14)	\$ (57)	\$ (7)
Income tax (expense) recovery					
Current	(81)	(45)	(56)	(39)	(21)
Deferred	90	25	78	60	165
	\$ (26)	\$ 96	\$ 8	\$ (36)	\$ 137
<b>Attributable to:</b>					
Limited partners	\$ (16)	\$ 25	\$ (5)	\$ (14)	\$ 47
Redemption-exchange units	(16)	24	(4)	(13)	44
BBUC exchangeable shares	(16)	25	(5)	(14)	46
Preferred securities	22	22	22	5	—

Revenues and expenses vary from quarter to quarter primarily due to acquisitions and dispositions of businesses, fluctuations of foreign exchange rates, business and economic cycles, and weather and seasonality in underlying operations. Broader economic factors can have a significant impact on a number of our operations. Net income (loss) is impacted by periodic gains and losses on acquisitions, monetizations and impairments.

# Segment Reconciliation - Three Months Ended June 30, 2023

Brookfield

## Proportionate Operating Results to Consolidated Operating Results

For the three months ended June 30, 2023 US\$ millions, unaudited	Attributable to Unitholders					Attributable to Others	As per IFRS Financials
	Business Services	Infrastructure Services	Industrials	Corporate and Other	Total		
Revenues	\$ 2,255	\$ 789	\$ 1,084	\$ —	\$ 4,128	\$ 9,378	\$ 13,506
Direct operating costs <sup>(1)</sup>	(2,004)	(574)	(868)	(3)	(3,449)	(7,974)	(11,423)
General and administrative expenses	(43)	(43)	(36)	(26)	(148)	(250)	(398)
Equity accounted Adjusted EBITDA <sup>(2)</sup>	15	44	16	—	75	36	111
<b>Adjusted EBITDA</b>	<b>\$ 223</b>	<b>\$ 216</b>	<b>\$ 196</b>	<b>\$ (29)</b>	<b>\$ 606</b>		
Gain (loss) on acquisitions / dispositions, net <sup>(3)</sup>	22	—	—	—	22	65	87
Gain (loss) on acquisitions / dispositions, net recorded in equity <sup>(4)</sup>	8	—	—	—	8	23	31
Other income (expense), net <sup>(5)</sup>	—	6	1	—	7	9	16
Interest income (expense), net	(79)	(109)	(104)	(34)	(326)	(606)	(932)
Current income tax (expense) recovery	(51)	(6)	(24)	—	(81)	(186)	(267)
Preferred equity distributions	—	—	—	(22)	(22)	22	—
Equity accounted Adjusted EFO <sup>(2)</sup>	(4)	(19)	(6)	—	(29)	(7)	(36)
<b>Adjusted EFO</b>	<b>\$ 119</b>	<b>\$ 88</b>	<b>\$ 63</b>	<b>\$ (85)</b>	<b>\$ 185</b>		
Depreciation and amortization expense <sup>(1)</sup>					(294)	(613)	(907)
Impairment reversal (expense), net					(3)	(4)	(7)
Gain (loss) on acquisitions / dispositions, net recorded in equity <sup>(4)</sup>					(8)	(23)	(31)
Other income (expense), net <sup>(5)</sup>					16	106	122
Deferred income tax (expense) recovery					90	126	216
Non-cash items attributable to equity accounted investments <sup>(2)</sup>					(34)	(13)	(47)
<b>Net income (loss)</b>					<b>\$ (48)</b>	<b>\$ 89</b>	<b>\$ 41</b>

1. The sum of these amounts equates to direct operating costs of \$12,330 million as per consolidated statements of operating results.

2. The sum of these amounts equates to equity accounted income (loss), net of \$28 million as per consolidated statements of operating results.

3. Gain (loss) on acquisitions/dispositions, net recorded in Adjusted EFO of \$22 million represents the partnership's economic ownership interest of gains on dispositions related to the partnership's dealer software and technology services' sale of a non-core division servicing the heavy equipment sector.

4. Gain (loss) on acquisitions/dispositions, net recorded in equity in Adjusted EFO of \$8 million represents the partnership's economic ownership interest of realized gains related to secured debentures.

5. The sum of these amounts equates to other income (expense), net of \$138 million as per consolidated statements of operating results. Other income (expense), net at the partnership's economic ownership interest that is excluded from Adjusted EFO of \$16 million includes \$44 million of net gains on debt modification and extinguishment, \$20 million of business separation expenses, stand-up costs and restructuring charges, \$17 million of transaction costs, \$19 million of net revaluation gains and \$10 million of other expense.

# Segment Reconciliation - Three Months Ended June 30, 2022

Brookfield

## Proportionate Operating Results to Consolidated Operating Results

For the three months ended June 30, 2022 US\$ millions, unaudited	Attributable to Unitholders					Total	Attributable to Others	As per IFRS Financials
	Business Services	Infrastructure Services	Industrials	Corporate and Other				
Revenues	\$ 2,468	\$ 706	\$ 1,120	\$ —	\$ 4,294	\$ 10,313	\$ 14,607	
Direct operating costs <sup>(1)</sup>	(2,296)	(507)	(906)	(6)	(3,715)	(9,187)	(12,902)	
General and administrative expenses	(34)	(33)	(33)	(26)	(126)	(180)	(306)	
Equity accounted Adjusted EBITDA <sup>(2)</sup>	15	39	23	—	77	36	113	
<b>Adjusted EBITDA</b>	\$ 153	\$ 205	\$ 204	\$ (32)	\$ 530			
Gain (loss) on acquisitions / dispositions, net recorded in equity <sup>(3)</sup>	19	—	—	—	19	—	19	
Other income (expense), net <sup>(4)</sup>	—	9	—	—	9	14	23	
Interest income (expense), net	(18)	(70)	(81)	(18)	(187)	(369)	(556)	
Current income tax (expense) recovery	(14)	(6)	(17)	16	(21)	(54)	(75)	
Equity accounted Adjusted EFO <sup>(2)</sup>	(2)	(14)	(5)	—	(21)	(8)	(29)	
<b>Adjusted EFO</b>	\$ 138	\$ 124	\$ 101	\$ (34)	\$ 329			
Depreciation and amortization expense <sup>(1)</sup>					(262)	(514)	(776)	
Impairment reversal (expense), net					41	37	78	
Gain (loss) on acquisitions / dispositions, net recorded in equity <sup>(3)</sup>					(19)	—	(19)	
Other income (expense), net <sup>(4)</sup>					(87)	(154)	(241)	
Deferred income tax (expense) recovery					165	222	387	
Non-cash items attributable to equity accounted investments <sup>(2)</sup>					(30)	(13)	(43)	
<b>Net income (loss)</b>					\$ 137	\$ 143	\$ 280	

1. The sum of these amounts equates to direct operating costs of \$13,678 million as per consolidated statements of operating results.

2. The sum of these amounts equates to equity accounted income (loss), net of \$41 million as per consolidated statements of operating results.

3. Gain (loss) on acquisitions/dispositions, net recorded in equity in Adjusted EFO of \$19 million represents the partnership's economic ownership interest in gains (losses) on disposition related to the sale of a financial asset measured at FVOCI.

4. The sum of these amounts equates to other income (expense), net of \$(218) million as per the consolidated statements of operating results. Other income (expense), net at the partnership's economic ownership interest that is excluded from Adjusted EFO of \$(87) million includes \$45 million of net unrealized revaluation losses, \$14 million of business separation expenses, stand-up costs and restructuring charges, \$19 million of transaction costs and \$9 million of other expenses.

# Segment Reconciliation - Six Months Ended June 30, 2023

Brookfield

## Proportionate Operating Results to Consolidated Operating Results

For the six months ended June 30, 2023 US\$ millions, unaudited	Attributable to Unitholders					Attributable to Others	As per IFRS Financials
	Business Services	Infrastructure Services	Industrials	Corporate and Other	Total		
Revenues	\$ 4,465	\$ 1,601	\$ 2,237	\$ —	\$ 8,303	\$ 18,961	\$ 27,264
Direct operating costs <sup>(1)</sup>	(3,971)	(1,160)	(1,780)	(11)	(6,922)	(16,067)	(22,989)
General and administrative expenses	(88)	(86)	(73)	(52)	(299)	(500)	(799)
Equity accounted Adjusted EBITDA <sup>(2)</sup>	29	86	31	—	146	81	227
<b>Adjusted EBITDA</b>	<b>\$ 435</b>	<b>\$ 441</b>	<b>\$ 415</b>	<b>\$ (63)</b>	<b>\$ 1,228</b>		
Gain (loss) on acquisitions / dispositions, net <sup>(3)</sup>	89	6	—	—	95	73	168
Gain (loss) on acquisitions / dispositions, net recorded in equity <sup>(4)</sup>	14	—	64	—	78	147	225
Other income (expense), net <sup>(5)</sup>	—	6	2	—	8	11	19
Interest income (expense), net	(140)	(212)	(201)	(65)	(618)	(1,179)	(1,797)
Current income tax (expense) recovery	(59)	(30)	(44)	7	(126)	(267)	(393)
Preferred equity distributions	—	—	—	(44)	(44)	44	—
Equity Accounted Adjusted EFO <sup>(2)</sup>	(7)	(37)	(11)	—	(55)	(16)	(71)
<b>Adjusted EFO</b>	<b>\$ 332</b>	<b>\$ 174</b>	<b>\$ 225</b>	<b>\$ (165)</b>	<b>\$ 566</b>		
Depreciation and amortization expense <sup>(1)</sup>					(586)	(1,221)	(1,807)
Impairment reversal (expense), net					(3)	(4)	(7)
Gain (loss) on acquisitions / dispositions, net recorded in equity <sup>(4)</sup>					(78)	(147)	(225)
Other income (expense), net <sup>(5)</sup>					83	165	248
Deferred income tax (expense) recovery					115	169	284
Non-cash items attributable to equity accounted investments <sup>(2)</sup>					(71)	(32)	(103)
<b>Net income (loss)</b>					<b>\$ 26</b>	<b>\$ 218</b>	<b>\$ 244</b>

1. The sum of these amounts equates to direct operating costs of \$24,796 million as per the consolidated statements of operating results.

2. The sum of these amounts equates to equity accounted income (loss), net of \$53 million as per the consolidated statements of operating results.

3. Gain (loss) on acquisitions/dispositions, net recorded in Adjusted EFO of \$95 million represents the partnership's economic ownership interest of gains relating to \$67 million from the disposition of the partnership's residential property management operations, \$22 million from the dispositions related to the partnership's dealer software and technology services' sale of a non-core division servicing the heavy equipment sector, and \$6 million from the disposition of the partnership's nuclear technology services' power delivery business.

4. Gain (loss) on acquisitions/dispositions, net recorded in equity in Adjusted EFO of \$78 million represents the partnership's economic ownership interest of \$8 million gains related to secured debentures and \$70 million on disposition of the partnership's public securities.

5. The sum of these amounts equates to other income (expense), net of \$267 million as per the consolidated statements of operating results. Other income (expense), net at the partnership's economic ownership interest that is excluded from Adjusted EFO of \$83 million includes \$147 million of net gains on debt modification and extinguishment, \$34 million of business separation expenses, stand-up costs and restructuring charges, \$26 million of transaction costs, \$18 million of net revaluation gains, and \$22 million of other expense.

# Segment Reconciliation - Six Months Ended June 30, 2022

Brookfield

## Proportionate Operating Results to Consolidated Operating Results

For the six months ended June 30, 2022 US\$ millions, unaudited	Attributable to Unitholders					Total	Attributable to Others	As per IFRS Financials
	Business Services	Infrastructure Services	Industrials	Corporate and Other				
Revenues	\$ 4,742	\$ 1,318	\$ 2,227	\$ —	\$ 8,287	\$ 19,747	\$ 28,034	
Direct operating costs <sup>(1)</sup>	(4,455)	(908)	(1,787)	(12)	(7,162)	(17,637)	(24,799)	
General and administrative expenses	(64)	(62)	(65)	(53)	(244)	(360)	(604)	
Equity accounted Adjusted EBITDA <sup>(2)</sup>	24	65	46	—	135	72	207	
<b>Adjusted EBITDA</b>	\$ 247	\$ 413	\$ 421	\$ (65)	\$ 1,016			
Gain (loss) on acquisitions / dispositions, net recorded in equity <sup>(3)</sup>	19	—	—	—	19	—	19	
Other income (expense), net <sup>(4)</sup>	1	(1)	—	—	—	(1)	(1)	
Interest income (expense), net	(43)	(117)	(149)	(29)	(338)	(678)	(1,016)	
Current income tax (expense) recovery	(22)	(10)	(39)	29	(42)	(112)	(154)	
Equity Accounted Adjusted EFO <sup>(2)</sup>	(4)	(22)	(10)	—	(36)	(17)	(53)	
<b>Adjusted EFO</b>	\$ 198	\$ 263	\$ 223	\$ (65)	\$ 619			
Depreciation and amortization expense <sup>(1)</sup>					(494)	(976)	(1,470)	
Impairment reversal (expense), net					41	37	78	
Gain (loss) on acquisitions / dispositions, net recorded in equity <sup>(3)</sup>					(19)	—	(19)	
Other income (expense), net <sup>(4)</sup>					(115)	(201)	(316)	
Deferred income tax (expense) recovery					168	259	427	
Non-cash items attributable to equity accounted investments <sup>(2)</sup>					(47)	(16)	(63)	
<b>Net income (loss)</b>					\$ 153	\$ 117	\$ 270	

- The sum of these amounts equates to direct operating costs of \$26,269 million as per the consolidated statements of operating results.
- The sum of these amounts equates to equity accounted income (loss), net of \$91 million as per the consolidated statements of operating results.
- Gain (loss) on acquisitions/dispositions, net recorded in equity in Adjusted EFO of \$19 million represents the partnership's economic ownership interest in gains (losses) on disposition related to the sale of a financial asset measured at FVOCI.
- The sum of these amounts equates to other income (expense), net of \$(317) million as per the consolidated statements of operating results. Other income (expense), net at the partnership's economic ownership interest that is excluded from Adjusted EFO of \$(115) million includes \$47 million of net unrealized revaluation losses, \$26 million of business separation expenses, stand-up costs and restructuring charges, \$28 million of transaction costs, and \$14 million of other expense.

## Proportionate Financial Position to Consolidated Financial Position

US\$ millions, unaudited	As at					
	June 30, 2023			December 31, 2022 <sup>(1)</sup>		
	Attributable to Unitholders	Attributable to Others	As per IFRS Financials	Attributable to Unitholders	Attributable to Others	As per IFRS Financials
<b>Assets</b>						
Cash and cash equivalents	\$ 1,155	\$ 1,867	\$ 3,022	\$ 1,169	\$ 1,701	\$ 2,870
Financial assets	4,808	8,621	13,429	4,631	8,277	12,908
Accounts and other receivable, net	2,932	4,256	7,188	3,015	4,263	7,278
Inventory and other assets	2,834	5,450	8,284	2,567	4,992	7,559
Property, plant and equipment	5,764	10,532	16,296	5,384	10,509	15,893
Deferred income tax assets	522	760	1,282	480	765	1,245
Intangible assets	6,979	16,415	23,394	7,093	16,860	23,953
Equity accounted investments	1,230	820	2,050	1,209	856	2,065
Goodwill	4,764	10,605	15,369	4,621	10,858	15,479
	<b>\$ 30,988</b>	<b>\$ 59,326</b>	<b>\$ 90,314</b>	<b>\$ 30,169</b>	<b>\$ 59,081</b>	<b>\$ 89,250</b>
<b>Liabilities</b>						
Corporate borrowings	\$ 1,990	\$ —	\$ 1,990	\$ 2,100	\$ —	\$ 2,100
Accounts payable and other	7,904	13,059	20,963	7,232	13,198	20,430
Non-recourse borrowings in subsidiaries of Brookfield Business Partners	14,352	30,556	44,908	14,237	30,356	44,593
Deferred income tax liabilities	1,012	2,549	3,561	1,006	2,692	3,698
	<b>\$ 25,258</b>	<b>\$ 46,164</b>	<b>\$ 71,422</b>	<b>\$ 24,575</b>	<b>\$ 46,246</b>	<b>\$ 70,821</b>

1. Comparative prior period results have been adjusted in accordance with the new IFRS 17 accounting standard adopted at our residential mortgage insurer on January 1, 2023.

# Reconciliation of Non-IFRS Measures to IFRS Measures

Brookfield

## Total Equity Reconciliation to Equity Attributable to Unitholders

US\$ millions, unaudited	As at	
	Jun 30, 2023	Dec 31, 2022
Total equity	\$ 18,892	\$ 18,429
Less: Preferred securities	1,490	1,490
Less: Interest of others in operating subsidiaries	13,162	12,835
<b>Equity attributable to Unitholders</b>	<b>\$ 4,240</b>	<b>\$ 4,104</b>

## Proportionate Net Borrowings Reconciliation to Consolidated Net Borrowings

US\$ millions, unaudited	Attributable to Unitholders					Total	Attributable to Others	As per IFRS Financials
	Business Services	Infrastructure Services	Industrials	Corporate and Other				
<b>Cash</b>								
June 30, 2023	\$ 642	\$ 308	\$ 153	\$ 52	\$ 1,155	\$ 1,867	\$ 3,022	
December 31, 2022	586	270	190	123	1,169	1,701	2,870	
<b>Borrowings</b>								
June 30, 2023	\$ 4,683	\$ 5,321	\$ 4,348	\$ 1,990	\$ 16,342	\$ 30,556	\$ 46,898	
December 31, 2022	4,545	5,183	4,509	2,100	16,337	30,356	46,693	
<b>Borrowings, net of cash</b>								
June 30, 2023	\$ 4,041	\$ 5,013	\$ 4,195	\$ 1,938	\$ 15,187	\$ 28,689	\$ 43,876	
December 31, 2022	3,959	4,913	4,319	1,977	15,168	28,655	43,823	

- Adjusted EBITDA is a non-IFRS measure of operating performance presented as net income and equity accounted income at the Partnership's economic ownership interest in consolidated subsidiaries and equity accounted investments, respectively, excluding the impact of interest income (expense), net, income taxes, depreciation and amortization, gains (losses) on acquisition/disposition, net, transaction costs, restructuring charges, revaluation gains or losses, impairment expenses or reversals, other income (expense), net and distributions to preferred equity holders. The Partnership's economic ownership interest in consolidated subsidiaries and equity accounted investments excludes amounts attributable to non-controlling interests consistent with how the Partnership determines net income attributable to non-controlling interests in its IFRS consolidated statement of operating results. The Partnership believes that Adjusted EBITDA provides a comprehensive understanding of the ability of its businesses to generate recurring earnings which allows users to better understand and evaluate the underlying financial performance of the Partnership's operations and excludes items that the Partnership believes do not directly relate to revenue earning activities and are not normal, recurring items necessary for business operations.
- Adjusted EFO is the Partnership's segment measure of profit or loss and is presented as net income and equity accounted income at the Partnership's economic ownership interest in consolidated subsidiaries and equity accounted investments, respectively, excluding the impact of depreciation and amortization, deferred income taxes, transaction costs, restructuring charges, revaluation gains or losses, impairment expenses or reversals, and other income or expense items that are not directly related to revenue generating activities. The Partnership's economic ownership interest in consolidated subsidiaries excludes amounts attributable to non-controlling interests consistent with how the Partnership determines net income attributable to non-controlling interests in its IFRS consolidated statement of operating results. In order to provide additional insight regarding the Partnership's operating performance over the lifecycle of an investment, Adjusted EFO includes the impact of preferred equity distributions and realized disposition gains or losses, recorded in net income, other comprehensive income, or directly in equity, such as ownership changes. Adjusted EFO does not include legal and other provisions that may occur from time to time in the Partnership's operations and that are one-time or non-recurring and not directly tied to the Partnership's operations, such as those for litigation or contingencies. Adjusted EFO includes expected credit losses and bad debt allowances recorded in the normal course of the Partnership's operations. Adjusted EFO allows the Partnership to evaluate its segments on the basis of return on invested capital generated by its operations and allows the Partnership to evaluate the performance of its segments on a levered basis.
- Equity accounted Adjusted EBITDA corresponds to the Adjusted EBITDA attributable to the Partnership that is generated by its investments in associates and joint ventures accounted for using the equity method.
- Equity attributable to unitholders is exclusive of the equity interest of others in our operating subsidiaries.
- Net income (loss) attributable to unitholders is exclusive of the net income (loss) attributable to others in our operating subsidiaries.
- Unitholders are defined as limited partnership unitholders, general partnership unitholders, redemption-exchange unitholders, special limited partnership unitholders and BBUC exchangeable shareholders.
- Units are defined as limited partnership units, general partnership units, redemption-exchange units, special limited partnership units and BBUC exchangeable shares.
- Net debt is calculated by subtracting cash and cash equivalents from borrowings.
- Information on a proportionate basis reflects the Partnership's economic ownership interest in our consolidated subsidiaries which we consolidate and account for using the equity method whereby we either control or exercise significant influence or joint control over the investment, respectively. The total proportionate financial information is not, and is not intended to be, presented in accordance with IFRS.