

Brookfield

Brookfield Business
Partners L.P.



Q4 SUPPLEMENTAL
INFORMATION 2023

THREE MONTHS AND YEAR ENDED DECEMBER 31, 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 December 31, 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; 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; the possible impact of international conflicts, wars and related developments including 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 those set forth in the “Risk Factors” section in our annual report for the year ended December 31, 2023 to be filed on Form 20-F.

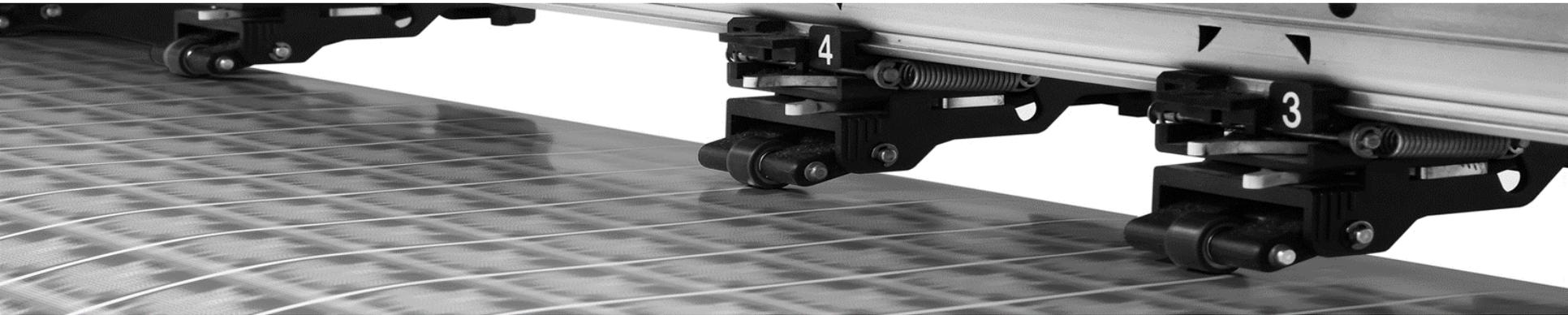
Statements relating to “reserves” are deemed to be forward-looking statements as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described herein can be profitably produced in the future. We qualify any and all of our forward-looking statements by these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

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 annual report for the year ended December 31, 2023 to be filed on Form 20-F.



Overview



Key Performance Metrics

US\$ millions (except per unit amounts), unaudited	Three Months Ended December 31,	
	2023	2022 ⁽¹⁾
Net income (loss) attributable to Unitholders	\$ 1,423	\$ (14)
Net income (loss) per limited partnership unit ⁽²⁾	6.57	(0.06)
Adjusted EBITDA ⁽³⁾	608	627

Statements of Operating Results by Segment

US\$ millions, unaudited	Three Months Ended December 31,	
	2023	2022
Adjusted EBITDA by segment		
Business Services	\$ 227	\$ 181
Infrastructure Services	184	254
Industrials	222	230
Corporate and Other	(25)	(38)
Adjusted EBITDA	\$ 608	\$ 627
Adjusted EFO by segment		
Business Services	\$ 181	\$ 93
Infrastructure Services	1,790	148
Industrials	115	119
Corporate and Other	(77)	(67)

Financial Performance - Three Months Ended December 31, 2023

- Net income attributable to Unitholders for the three months ended December 31, 2023 was \$1,423 million (\$6.57 per limited partnership unit) compared to net loss of \$14 million (loss of \$0.06 per limited partnership unit) in the prior period.
- Adjusted EBITDA for the three months ended December 31, 2023 was \$608 million compared to \$627 million in the prior period reflecting reduced contribution from our Infrastructure Services and Industrials segments. Excluding contribution from disposed operations, Adjusted EBITDA was \$577 million, compared to \$506 million in the prior period.
- Adjusted EBITDA margin for the three months ended December 31, 2023 increased to 20%, compared to 18% in the prior period. ⁽⁴⁾
- Adjusted EFO for the three months ended December 31, 2023 was \$2,009 million (\$9.25 per unit ⁽⁵⁾) compared to \$293 million (\$1.34 per unit ⁽⁵⁾) in the prior period. Excluding the impact of gain (loss) on acquisitions and dispositions, Adjusted EFO for the three months ended December 31, 2023 was \$211 million (\$0.98 per unit ⁽⁵⁾) compared to \$266 million (\$1.22 per unit ⁽⁵⁾) in the prior period.
- Liquidity at the corporate level for the year ended December 31, 2023 was \$2,055 million, including \$170 million of cash and liquid securities, \$1,860 million of availability on our credit facilities and \$25 million of remaining preferred equity commitment from Brookfield Corporation. During the quarter, we redeemed \$750 million of preferred securities held by Brookfield Corporation and repaid \$580 million of borrowings on our corporate credit facilities. Pro forma for announced and closed transactions corporate liquidity is approximately \$1,500 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 74.3 million for the three months ended December 31, 2023 (2022: 74.6 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. Represents Adjusted EBITDA as a percentage of BBU's proportionate share of revenues for the three months ended December 31, 2023 and December 31, 2022. Excludes contribution from our road fuels operation.

5. Average number of units outstanding on a fully diluted time-weighted average basis for the three months ended December 31, 2023 was 217.0 million (2022: 217.7 million).

Key Performance Metrics

US\$ millions (except per unit amounts), unaudited	Year Ended December 31,	
	2023	2022 ⁽¹⁾
Net income (loss) attributable to Unitholders	\$ 1,405	\$ 98
Net income (loss) per limited partnership unit ⁽²⁾	6.49	0.48
Adjusted EBITDA ⁽³⁾	2,491	2,254

Statements of Operating Results by Segment

US\$ millions, unaudited	Year Ended December 31,	
	2023	2022
Adjusted EBITDA by segment		
Business Services	\$ 900	\$ 641
Infrastructure Services	853	872
Industrials	855	879
Corporate and Other	(117)	(138)
Adjusted EBITDA	\$ 2,491	\$ 2,254
Adjusted EFO by segment		
Business Services	\$ 636	\$ 427
Infrastructure Services	2,070	513
Industrials	492	473
Corporate and Other	(335)	(178)

Financial Performance - Year Ended December 31, 2023

- Net income attributable to Unitholders for the year ended December 31, 2023 was \$1,405 million (\$6.49 per limited partnership unit) compared to net income of \$98 million (\$0.48 per limited partnership unit) for the year ended December 31, 2022.
- Adjusted EBITDA for the year ended December 31, 2023 increased to \$2,491 million compared to \$2,254 million for the year ended December 31, 2022, as a result of increased contribution from our Business Services segment.
- Adjusted EBITDA margin for the year ended December 31, 2023 increased to 19%, compared to 18% in the prior period. ⁽⁴⁾
- Adjusted EFO for the year ended December 31, 2023 was \$2,863 million (\$13.18 per unit ⁽⁵⁾) compared to \$1,235 million (\$5.65 per unit ⁽⁵⁾) in the prior period. Excluding the impact of gain (loss) on acquisitions and dispositions, Adjusted EFO for the year ended December 31, 2023 was \$857 million (\$3.95 per unit ⁽⁵⁾) compared to \$1,178 million (\$5.39 per unit ⁽⁵⁾) in the prior period.

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 74.5 million for the year ended December 31, 2023 (2022: 75.3 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. Represents Adjusted EBITDA as a percentage of BBU's proportionate share of revenues for the year ended December 31, 2023 and December 31, 2022. Excludes contribution from our road fuels operation.

5. Average number of units outstanding on a fully diluted time-weighted average basis for the year ended December 31, 2023 was 217.2 million (2022: 218.4 million).

Other Developments

- On November 7, 2023, we completed the previously announced sale of our nuclear technology services operation. Proceeds from the sale were used to redeem \$750 million of preferred securities held by Brookfield Corporation and repay \$580 million of borrowings on our corporate bank facilities.
- During the quarter and since the start of the year, we have sold 14 million shares of GrafTech ("graphite electrode operations"), reducing our ownership interest in the business to 3%. We are now accounting for our investment as a financial asset.
- On December 14, 2023, we reached an agreement to sell our general partner interest and residential real estate brokerage portfolio to Bridgemarq, a publicly listed real estate services and brokerage business. In exchange, we agreed to take back limited partnership units in the public entity which will increase our ownership interest to approximately 42%. The transaction is expected to close in Q2 2024, subject to shareholder approval.
- On December 14, 2023, we completed the previously announced sale of a portion of our interest in our technology services operation. Our share of proceeds from the sale was approximately \$120 million. Following the sale, we deconsolidated our investment and account for our remaining 17% ownership interest as an equity accounted investment.

Subsequent Events

- On January 12, 2024, our advanced energy storage operation completed the repricing of a \$2.7 billion term loan at a cost that was 75 basis points below the cost of debt prior to the repricing.
- On February 1, 2024, the Board of Directors declared a quarterly distribution in the amount of \$0.0625 per unit, payable on March 28, 2024 to unitholders of record as at the close of business on February 29, 2024. The Board of Directors of BBUC declared an identical quarterly dividend to its shareholders.

Q4 2023 Highlights - Balance Sheet & Liquidity

Brookfield

Key Balance Sheet Metrics

US\$ millions, unaudited	As at	
	December 31, 2023	December 31, 2022 ⁽²⁾
Total assets	\$ 82,385	\$ 89,250
Non-recourse borrowings in subsidiaries of Brookfield Business Partners ⁽¹⁾	40,809	44,593
Corporate borrowings	1,440	2,100
Total equity	18,532	18,429

Proportionate borrowings

Business Services	\$ 5,813	\$ 4,545
Infrastructure Services	3,118	5,183
Industrials	4,203	4,509
Corporate and Other	1,440	2,100
	\$ 14,574	\$ 16,337

Proportionate share of cash

Business Services	\$ 749	\$ 586
Infrastructure Services	189	270
Industrials	224	190
Corporate and Other	112	123
	\$ 1,274	\$ 1,169

Proportionate borrowings, net of cash

Business Services	\$ 5,064	\$ 3,959
Infrastructure Services	2,929	4,913
Industrials	3,979	4,319
Corporate and Other	1,328	1,977
	\$ 13,300	\$ 15,168

Corporate Liquidity

US\$ millions, unaudited	As at	
	December 31, 2023	December 31, 2022
Corporate cash and financial assets	\$ 170	\$ 392
Committed corporate credit facilities	1,860	1,200
Committed preferred equity securities	25	25
Total liquidity	\$ 2,055	\$ 1,617

Pro Forma Corporate Liquidity

US\$ millions, unaudited	Three Months Ended December 31, 2023
Total corporate liquidity, September 30, 2023	\$ 1,438
Distributions, dispositions and other ⁽³⁾	1,728
Redemption of preferred equity securities	(750)
Acquisitions and investments ⁽⁴⁾	(911)
Pro forma corporate liquidity, December 31, 2023	\$ 1,505

1. Includes proportionate share of borrowings made under subscription facilities of Brookfield Funds that Brookfield Business Partners invests alongside.

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.

3. Distributions, dispositions and other of approximately \$1.7 billion includes approximately \$1.4 billion of proceeds received on the sale of nuclear technology services.

4. 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	
	December 31, 2023	December 31, 2022
Limited partnership units	74,281,763	74,612,503
Redemption-exchange units	69,705,497	69,705,497
BBUC exchangeable shares	72,954,450	72,955,585
General partnership and special limited partnership units	8	8
Total outstanding	216,941,718	217,273,593

Partnership Capital Structure⁽¹⁾

US\$ millions (except price and unit amount), unaudited	As at	
	December 31, 2023	December 31, 2022
Partnership units outstanding (in millions) ⁽²⁾	144.0	144.3
Price ⁽³⁾	\$ 20.64	16.90
Partnership market capitalization	\$ 2,972	\$ 2,439
BBUC exchangeable shares outstanding (in millions)	73.0	73.0
Price ⁽³⁾	\$ 23.28	\$ 18.79
BBUC market capitalization	\$ 1,699	\$ 1,372
Total market capitalization	\$ 4,671	\$ 3,811
Preferred securities	725	1,475
Proportionate non-recourse borrowings, net of cash	11,972	13,191
Corporate borrowings, net of cash	1,328	1,977
Enterprise value (EV)	\$ 18,696	\$ 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 LP units and general partnership units.

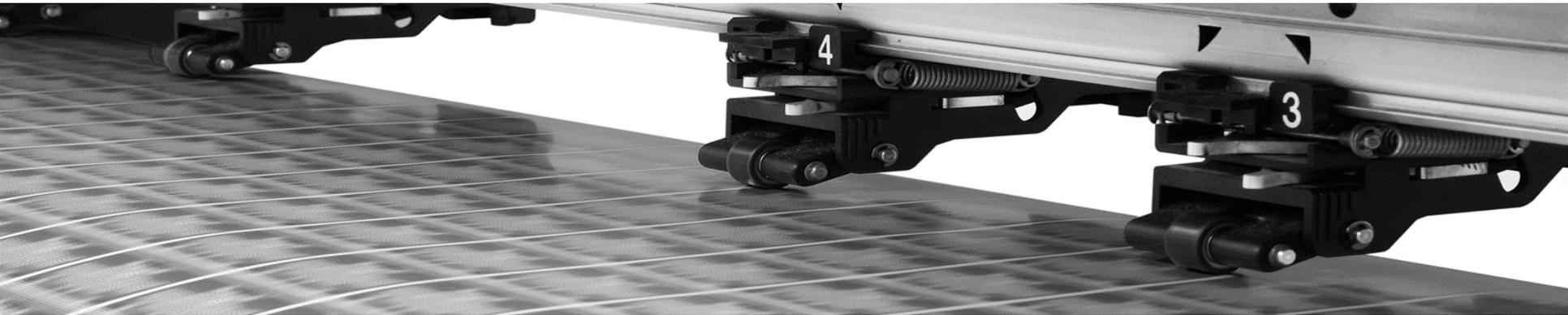
3. TSX: BBU.UN translated to USD at December 31, 2023 and December 31, 2022, respectively at the closing CAD-USD foreign exchange rate. NYSE: BBUC at December 31, 2023 and December 31, 2022.

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 fourth quarter of 2023, the volume-weighted average price per limited partnership unit was \$15.48, 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 3,730,658 LP units, including up to 14,522 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 months and year ended December 31, 2023, the partnership repurchased and canceled 277,611 and 331,875 limited partnership units, respectively, at an average price of approximately \$14 per unit.
 - During the year ended December 31, 2023, Brookfield Corporation, as an affiliate, purchased 374,533 limited partnership units under our NCIB, at an average price of approximately \$19 per unit.



Operating Segments

- 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 of the economic ownership interest in our underlying operations.

Segment	Description	Select Operations	Economic Ownership Interest ⁽¹⁾
Business Services	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 Operation (“CDK Global”)	• 26%
		• Healthcare Services (“Healthscope”)	• 28%
		• Fleet Management and Car Rental Services (“Unidas”)	• 35%
Infrastructure Services	Infrastructure businesses servicing large-scale infrastructure assets, including lottery services, modular building leasing services, offshore oil services and other	• Lottery Services Operation (“Scientific Games”)	• 33%
		• Modular Building Leasing Services (“Modulaire”)	• 28%
		• Offshore Oil Services (“Alterra”)	• 53%
Industrials	Industrial businesses including advanced energy storage operation, engineered components manufacturing and other	• Advanced Energy Storage Operation (“Clarios”)	• 28%
		• Engineered Components Manufacturing (“DexKo”)	• 33%

1. As at December 31, 2023.

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

US\$ millions, unaudited	Three Months Ended December 31 ⁽¹⁾ ,		Year Ended December 31,	
	2023	2022	2023	2022
Revenues	\$ 2,361	\$ 2,354	\$ 9,261	\$ 9,562
Direct operating costs	(2,106)	(2,145)	(8,246)	(8,830)
General and administrative expenses	(45)	(42)	(176)	(142)
Equity accounted Adjusted EBITDA	17	14	61	51
Adjusted EBITDA	\$ 227	\$ 181	\$ 900	\$ 641
Gain (loss) on acquisitions / dispositions, net	66	9	155	9
Gain (loss) on acquisitions/dispositions, net recorded in equity	—	—	21	19
Other income (expense), net	—	—	—	2
Interest income (expense), net	(75)	(58)	(295)	(155)
Current income tax (expense) recovery	(31)	(36)	(127)	(80)
Equity accounted Adjusted EFO	(6)	(3)	(18)	(9)
Adjusted EFO	\$ 181	\$ 93	\$ 636	\$ 427

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

US\$ millions, unaudited	As at	
	December 31, 2023	December 31, 2022 ⁽²⁾
Cash	\$ 749	\$ 586
Non-recourse borrowings in subsidiaries of Brookfield Business Partners	5,813	4,545
Proportionate borrowings, net of cash	\$ 5,064	\$ 3,959
Equity attributable to Unitholders	3,418	3,340

1. Adjusted EBITDA margin in our Business Services segment excluding results from our road fuels operation was 16% and 14% in Q4 2023 and Q4 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.

Financial Results - Three Months Ended December 31, 2023

- Adjusted EBITDA for the three months ended December 31, 2023 was \$227 million compared to \$181 million in the prior period.
 - Our residential mortgage insurer generated \$60 million of Adjusted EBITDA in Q4 2023, compared to \$31 million in Q4 2022. Resilient Canadian home prices contributed to higher insurance revenue recognition during the quarter. Strong business performance also included higher investment income generated from reinvestment into higher yielding securities and lower losses on claims which remain below long-term historical levels. The business continues to generate strong cash flow and is well positioned to manage the impact of higher expected losses 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 generated \$54 million of Adjusted EBITDA in Q4 2023, compared to \$40 million in Q4 2022. Increased business performance was driven by cost optimization initiatives and growth of core subscription revenue. Results also reflect the impact of our increased ownership compared to prior period.
 - Fleet management and car rental services generated \$36 million of Adjusted EBITDA in Q4 2023, compared to \$23 million in Q4 2022. Increased contribution was the result of an increase in rental revenue from higher renewal rates and fleet base, partially offset by reduced contribution from asset sales.
 - Healthcare services generated \$12 million of Adjusted EBITDA in Q4 2023, compared to \$14 million in Q4 2022. Performance remains challenged as a result of capped billing rates and higher labor and consumable costs.
- Adjusted EFO was \$181 million compared to \$93 million in the prior period and included a gain of \$57 million recognized on the partial sale of our interest in technology services. The increase was partially offset by higher interest expense at dealer software and technology services operation primarily driven by an increase in our ownership and higher borrowings at fleet management and car rental services.

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

US\$ millions, unaudited	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Revenues	\$ 542	\$ 878	\$ 2,916	\$ 2,968
Direct operating costs	(382)	(625)	(2,087)	(2,089)
General and administrative expenses	(27)	(36)	(159)	(146)
Equity accounted Adjusted EBITDA	51	37	183	139
Adjusted EBITDA	\$ 184	\$ 254	\$ 853	\$ 872
Gain (loss) on acquisitions / dispositions, net	1,711	—	1,717	—
Other income (expense), net	—	3	16	2
Interest income (expense), net	(84)	(89)	(406)	(288)
Current income tax (expense) recovery	(3)	(4)	(36)	(19)
Equity accounted Adjusted EFO	(18)	(16)	(74)	(54)
Adjusted EFO	\$ 1,790	\$ 148	\$ 2,070	\$ 513

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

US\$ millions, unaudited	As at	
	December 31, 2023	December 31, 2022
Cash	\$ 189	\$ 270
Non-recourse borrowings in subsidiaries of Brookfield Business Partners	3,118	5,183
Proportionate borrowings, net of cash	\$ 2,929	\$ 4,913
Equity attributable to Unitholders	3,534	1,588

Financial Results - Three Months Ended December 31, 2023

- Adjusted EBITDA for the three months ended December 31, 2023 was \$184 million compared to \$254 million in the prior period. Excluding contribution from nuclear technology services which was sold in November 2023, Adjusted EBITDA was \$160 million for the three months ended December 31, 2023 compared to \$142 million in the prior period.
 - Modular building leasing services generated \$44 million of Adjusted EBITDA in Q4 2023, compared to \$40 million in Q4 2022. Sales of higher margin value added products and services and contribution from an add-on acquisition completed during 2023 was partially offset by reduced activity, primarily in the U.K.
 - Offshore oil services generated \$54 million of Adjusted EBITDA in Q4 2023, compared to \$41 million in Q4 2022. Results during the quarter reflected our increased ownership interest following the completion of a recapitalization at the beginning of 2023. Overall results included higher contribution from FPSO operations, partially offset by reduced activity in the shuttle tanker segment.
 - Our lottery services operation generated \$34 million of Adjusted EBITDA in Q4 2023, in line with the prior period. Results reflected the impact of our decreased ownership interest compared to the prior period. Underlying business performance increased compared to prior period driven by higher volumes and resilient industry fundamentals. Cost optimization initiatives and easing inflationary pressures contributed to results.
- Adjusted EFO increased by \$1,642 million, primarily due to a net gain recognized on the disposition of our nuclear technology services operation.

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

US\$ millions, unaudited	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Revenues	\$ 1,093	\$ 1,209	\$ 4,458	\$ 4,591
Direct operating costs	(860)	(960)	(3,532)	(3,666)
General and administrative expenses	(28)	(39)	(134)	(135)
Equity accounted Adjusted EBITDA	17	20	63	89
Adjusted EBITDA	\$ 222	\$ 230	\$ 855	\$ 879
Gain (loss) on acquisitions / dispositions, net	1	3	42	7
Gain (loss) on acquisitions/dispositions, net recorded in equity	20	22	106	33
Other income (expense), net	1	1	3	2
Interest income (expense), net	(94)	(102)	(393)	(335)
Current income tax (expense) recovery	(29)	(29)	(98)	(92)
Equity accounted Adjusted EFO	(6)	(6)	(23)	(21)
Adjusted EFO	\$ 115	\$ 119	\$ 492	\$ 473

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

US\$ millions, unaudited	As at	
	December 31, 2023	December 31, 2022
Cash	\$ 224	\$ 190
Non-recourse borrowings in subsidiaries of Brookfield Business Partners	4,203	4,509
Proportionate borrowings, net of cash	\$ 3,979	\$ 4,319
Equity attributable to Unitholders	2,155	2,352

Financial Results - Three Months Ended December 31, 2023

- Adjusted EBITDA for the three months ended December 31, 2023 was \$222 million compared to \$230 million in the prior period.
 - Our advanced energy storage operation generated \$167 million of Adjusted EBITDA in Q4 2023, compared to \$143 million in Q4 2022. Increased demand of higher margin advanced battery volumes contributed to strong performance during the quarter. Strong commercial execution, favorable technology mix and cost optimization initiatives also benefited results.
 - Engineered components manufacturing generated \$25 million of Adjusted EBITDA in Q4 2023, compared to \$23 million in Q4 2022. The impact of lower volumes was more than offset by improved margin performance and contribution from recent add-on acquisitions.
 - Reduced contribution in our Western Canadian energy related operations and lost contribution from the reclassification of our equity accounted investment in graphite electrode operations as a financial asset contributed to the decrease in Adjusted EBITDA relative to prior period.
- Adjusted EFO was \$115 million compared to \$119 million in the prior period. Reduced interest expense as a result of dispositions completed during 2023 and debt repayment at our advanced energy storage operation was offset by lower Adjusted EBITDA.

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

US\$ millions, unaudited	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Revenues	\$ —	\$ —	\$ —	\$ —
Direct operating costs	(3)	(9)	(16)	(28)
General and administrative expenses	(22)	(29)	(101)	(110)
Adjusted EBITDA	\$ (25)	\$ (38)	\$ (117)	\$ (138)
Interest income (expense), net	(38)	(20)	(145)	(71)
Current income tax (expense) recovery	3	13	10	58
Preferred equity distribution	(17)	(22)	(83)	(27)
Adjusted EFO	\$ (77)	\$ (67)	\$ (335)	\$ (178)

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

US\$ millions, unaudited	As at	
	December 31, 2023	December 31, 2022
Cash	\$ 112	\$ 123
Corporate borrowings	1,440	2,100
Proportionate borrowings, net of cash	\$ 1,328	\$ 1,977
Equity attributable to Unitholders	(3,531)	(3,176)

Financial Results - Three Months Ended December 31, 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 \$17 million, compared to \$24 million in the prior period.
- Adjusted EFO in the current period included higher interest expense due to the impact of higher interest rates, partially offset by lower distributions on preferred equity securities.
 - Prior period included a current income tax recovery of \$13 million primarily related to corporate expenses, which was used to offset taxable income within our other operating segments.

Summary of Segment & Significant Operations Performance

Brookfield

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

US\$ millions, unaudited		Three Months Ended December 31, 2023		Three Months Ended December 31, 2022	
Segment	Operations	Adjusted EBITDA	Adjusted EFO	Adjusted EBITDA	Adjusted EFO
Business Services	Sagen	\$ 60	\$ 33	\$ 31	\$ 8
	CDK Global	54	25	40	15
	Healthscope	12	2	14	6
	Unidas	36	21	23	13
	Other ⁽¹⁾⁽²⁾	65	100	73	51
	Total	\$ 227	\$ 181	\$ 181	\$ 93
Infrastructure Services	Scientific Games	34	10	34	12
	Modulaire	44	21	40	25
	Altera	54	30	41	27
	Westinghouse ⁽³⁾	24	1,719	112	72
	Other ⁽¹⁾	28	10	27	12
	Total	\$ 184	\$ 1,790	\$ 254	\$ 148
Industrials	Clarios	167	92	143	58
	DexKo	25	1	23	1
	Other	30	22	64	60
	Total	\$ 222	\$ 115	\$ 230	\$ 119
Corporate and Other		\$ (25)	\$ (77)	\$ (38)	\$ (67)
Total BBU		\$ 608	\$ 2,009	\$ 627	\$ 293

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

2. Adjusted EFO for the three months ended December 31, 2023 included a \$57 million net gain recognized on the partial disposition of our technology services operation.

3. Adjusted EFO for the three months ended December 31, 2023 included a \$1.7 billion net gain recognized on the disposition of our nuclear technology services operation.

Summary of Segment & Significant Operations Performance

Brookfield

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

US\$ millions, unaudited		Year Ended December 31, 2023		Year Ended December 31, 2022	
Segment	Operations	Adjusted EBITDA	Adjusted EFO	Adjusted EBITDA	Adjusted EFO
Business Services	Sagen	\$ 217	\$ 137	\$ 196	\$ 160
	CDK Global ⁽¹⁾	217	89	89	38
	Healthscope	54	16	64	31
	Unidas ⁽¹⁾	142	80	59	41
	Other ⁽²⁾⁽³⁾	270	314	233	157
	Total	\$ 900	\$ 636	\$ 641	\$ 427
Infrastructure Services	Scientific Games ⁽¹⁾	140	41	98	33
	Modulaire	164	71	158	84
	Altera	200	112	208	155
	Westinghouse ⁽⁴⁾	236	1,799	314	194
	Other ⁽²⁾	113	47	94	47
	Total	\$ 853	\$ 2,070	\$ 872	\$ 513
Industrials	Clarios	559	262	482	222
	DexKo	149	54	141	71
	Other ⁽⁵⁾	147	176	256	180
	Total	\$ 855	\$ 492	\$ 879	\$ 473
Corporate and Other		\$ (117)	\$ (335)	\$ (138)	\$ (178)
Total BBU		\$ 2,491	\$ 2,863	\$ 2,254	\$ 1,235

1. 2022 figures represent post-acquisition date results.

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

3. Adjusted EFO for the year ended December 31, 2023 included a \$67 million net gain recognized on the sale of our residential property management operation and a \$57 million net gain recognized on the partial sale of our technology services operation.

4. Adjusted EFO for the year ended December 31, 2023 included a \$1.7 billion net gain recognized on the sale of our nuclear technology services operation.

5. Adjusted EFO for the year ended December 31, 2023 included a \$108 million net gain recognized on the sale of public securities and a \$41 million net gain recognized on the disposition of our automotive aftermarket parts remanufacturing operation.

Summary of Proportionate Non-Recourse Borrowings, Net of Cash

Brookfield

The following table presents the selected proportionate non-recourse borrowings, net of cash of our significant operations:

US\$ millions, unaudited		Proportionate Non-Recourse Borrowings, Net of Cash ⁽¹⁾	
Segment	Operations	As at December 31, 2023	As at December 31, 2022
Business Services	Sagen	\$ 215	\$ 268
	CDK Global	1,327	984
	Healthscope	217	220
	Unidas	553	429
Infrastructure Services	Scientific Games	\$ 1,066	\$ 1,174
	Modulaire	1,034	882
	Altera	832	867
Industrials	Clarios	\$ 2,265	\$ 2,475
	DexKo	998	1,038

1. Proportionate non-recourse borrowings, net of cash shown net of deferred financing costs, and excludes intercompany debt with consolidated subsidiaries of the partnership.

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 December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Adjusted EBITDA	\$ 608	\$ 627	\$ 2,491	\$ 2,254
Gain (loss) on acquisitions/dispositions, net of tax expense	1,778	12	1,879	16
Gain (loss) on acquisitions / dispositions, net recorded in equity, net of tax expense	20	15	127	41
Other income (expense), net	1	4	19	6
Equity accounted Adjusted EFO	(30)	(25)	(115)	(84)
Interest income (expense), net				
Attributable to non-recourse borrowings at operating subsidiaries	(253)	(249)	(1,094)	(778)
Attributable to corporate borrowings	(38)	(20)	(145)	(71)
Current income tax (expense) recovery, net	(60)	(49)	(216)	(122)
Preferred equity distributions	(17)	(22)	(83)	(27)
Adjusted EFO	\$ 2,009	\$ 293	\$ 2,863	\$ 1,235

Financial Performance - Three Months Ended December 31, 2023

- **Adjusted EBITDA** for the three months ended December 31, 2023 was \$608 million compared to \$627 million for the three months ended December 31, 2022.
- **Adjusted EFO** for the three months ended December 31, 2023 increased to \$2,009 million compared to \$293 million for the three months ended December 31, 2022. Adjusted EFO for the three months ended December 31, 2023 included a \$1.7 billion net gain recognized on the disposition of our nuclear technology services operation. Excluding the impact of gain (loss) on acquisitions and dispositions, Adjusted EFO for the three months ended December 31, 2023 was \$211 million compared to \$266 million in the prior period.
 - **Interest expense, net attributable to corporate borrowings** increased \$18 million compared to the prior period, primarily due to the impact of higher interest rates, partially offset by lower borrowings.
 - **Preferred equity distributions** of \$17 million decreased compared to \$22 million in the prior period due to the redemption of preferred equity securities held by Brookfield Corporation during Q4 2023.
 - **Current income tax expense, net** increased \$11 million compared to the prior period, primarily due to lower current tax recovery related to corporate expenses. The increase was partially offset by lower current taxes in our construction operation.

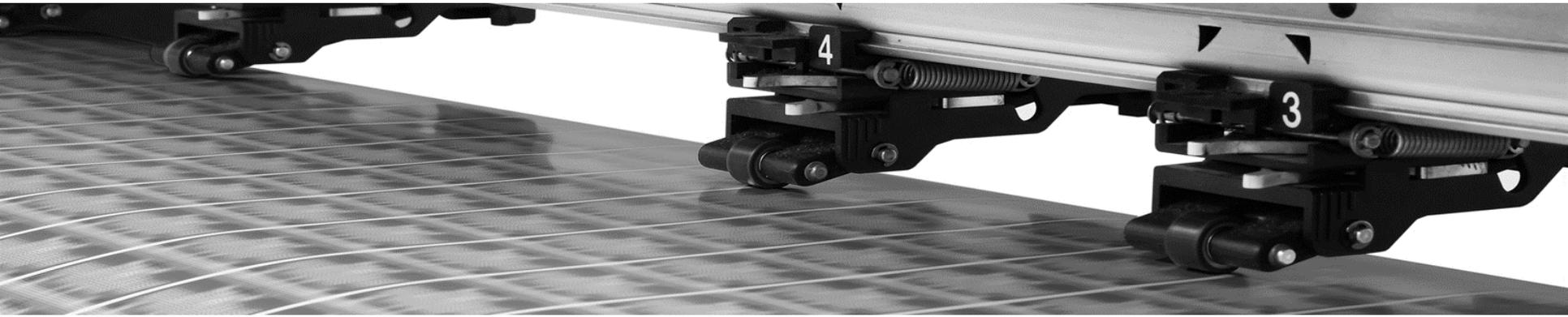
Reconciliation from Adjusted EBITDA to Adjusted EFO

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

US\$ millions, unaudited	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Adjusted EBITDA	\$ 608	\$ 627	\$ 2,491	\$ 2,254
Gain (loss) on acquisitions/dispositions, net of tax expense	1,778	12	1,879	16
Gain (loss) on acquisitions / dispositions, net recorded in equity, net of tax expense	20	15	127	41
Other income (expense), net	1	4	19	6
Equity accounted Adjusted EFO	(30)	(25)	(115)	(84)
Interest income (expense), net				
Attributable to non-recourse borrowings at operating subsidiaries	(253)	(249)	(1,094)	(778)
Attributable to corporate borrowings	(38)	(20)	(145)	(71)
Current income tax (expense) recovery, net	(60)	(49)	(216)	(122)
Preferred equity distributions	(17)	(22)	(83)	(27)
Adjusted EFO	\$ 2,009	\$ 293	\$ 2,863	\$ 1,235

Financial Performance - Year Ended December 31, 2023

- **Adjusted EBITDA** for the year ended December 31, 2023 increased to \$2,491 million compared to \$2,254 million for the year ended December 31, 2022.
- **Adjusted EFO** for the year ended December 31, 2023 increased to \$2,863 million compared to \$1,235 million for the year ended December 31, 2022. Adjusted EFO for the year ended December 31, 2023 included a \$1.7 billion net gain recognized on the disposition of our nuclear technology services operation. Excluding the impact of gain (loss) on acquisitions and dispositions, Adjusted EFO for the year ended December 31, 2023 was \$857 million compared to \$1,178 million in the prior period.
 - **Interest expense, net attributable to non-recourse borrowings at operating subsidiaries** increased \$316 million compared to the prior period. The increase was primarily due to higher borrowings associated with recent acquisitions, including add-on acquisitions completed within our operations and the impact of higher interest rates.
 - **Interest expense, net attributable to corporate borrowings** increased \$74 million compared to the prior period, primarily due to the impact of higher interest rates, partially offset by lower borrowings.
 - **Current income tax expense, net** increased \$94 million compared to the prior period, primarily due to higher corporate tax and the timing of taxation of the contractual service margin recorded on the transition to IFRS 17 at our residential mortgage insurer. The increase in current tax expense is offset by a deferred tax recovery, therefore having no impact on the business' overall effective tax rate.
 - **Preferred equity distributions** of \$83 million was attributable to preferred equity securities held by Brookfield Corporation during the year.



Proportionate Statements of Operating Results & Financial Position

Proportionate Statements of Operating Results

Brookfield

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

US\$ millions, unaudited	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Revenues	\$ 3,996	\$ 4,441	\$ 16,635	\$ 17,121
Direct operating costs	(3,636)	(3,997)	(15,046)	(15,664)
General and administrative expenses	(122)	(146)	(570)	(533)
Interest income (expense), net	(291)	(269)	(1,239)	(849)
Equity accounted income (loss), net	16	14	44	83
Impairment reversal (expense), net	(239)	(3)	(268)	34
Gain (loss) on acquisitions / dispositions, net	1,928	12	2,064	16
Other income (expense), net	(282)	(66)	(219)	(252)
Income (loss) before income tax	\$ 1,370	\$ (14)	\$ 1,401	\$ (44)
Income tax (expense) recovery				
Current	(60)	(56)	(251)	(137)
Deferred	130	78	338	306
	\$ 1,440	\$ 8	\$ 1,488	\$ 125
Attributable to:				
Limited partners	\$ 488	\$ (5)	\$ 482	\$ 36
Redemption-exchange units	457	(4)	451	34
BBUC exchangeable shares	478	(5)	472	28
Preferred securities	17	22	83	27

Financial Performance - Three Months Ended December 31, 2023

- **Revenues and direct operating costs** decreased by \$445 million and \$361 million, respectively, primarily due to lost contribution from the disposition of our nuclear technology services operation, combined with lower prices and volumes at our road fuels operation.
- **Impairment expense, net** of \$239 million primarily related to goodwill impairment recognized in healthcare services due to revised expectations of hospital admissions and operating costs and an impairment recognized on property, plant and equipment at natural gas production as a result of a decline in natural gas pricing.
- **Gain on acquisitions/dispositions, net** of \$1,928 million primarily related to a gain recognized on the disposition of nuclear technology services operation and the partial disposition of technology services operation.
- **Other expense, net** of \$282 million primarily related to a fair value adjustment as a result of the reclassification of our graphite electrode operations as a financial asset.

1. Information presented on a proportionate basis are non-IFRS measures that represent the Partnership's share of operating performance. For further information, see "Definitions" section at the end of this Supplemental Information.

Proportionate Statements of Financial Position

Brookfield

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

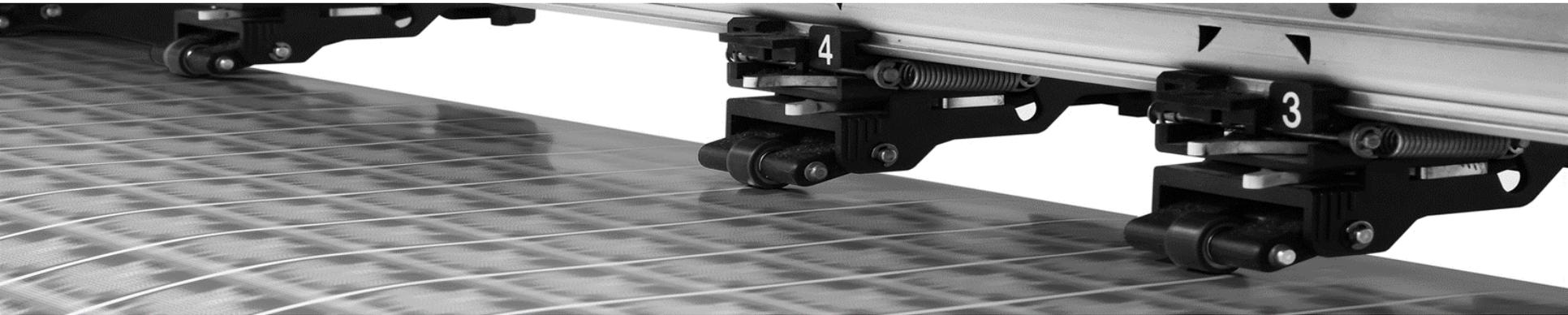
US\$ millions, unaudited	As at	
	December 31, 2023	December 31, 2022 ⁽²⁾
Assets		
Cash and cash equivalents	\$ 1,274	\$ 1,169
Financial assets	5,155	4,631
Accounts and other receivable, net	2,551	3,015
Inventory and other assets	1,594	2,567
Property, plant and equipment	5,452	5,384
Deferred income tax assets	514	480
Intangible assets	6,021	7,093
Equity accounted investments	1,321	1,209
Goodwill	4,428	4,621
	\$ 28,310	\$ 30,169
Liabilities		
Corporate borrowings	\$ 1,440	\$ 2,100
Accounts payable and other	6,501	7,232
Non-recourse borrowings in subsidiaries of the Partnership	13,134	14,237
Deferred income tax liabilities	919	1,006
	\$ 21,994	\$ 24,575
Equity attributable to Unitholders	\$ 5,576	\$ 4,104
Preferred securities	740	1,490
	\$ 6,316	\$ 5,594

Financial Position as at December 31, 2023

- **Cash and cash equivalents** included \$749 million in our Business Services segment, \$224 million in our Industrials segment, \$189 million in our Infrastructure Services segment, and \$112 million of Corporate cash.
- **Financial assets** increased by \$524 million, primarily due to our increased ownership interest in our Australian residential mortgage lender, partially offset by recent dispositions.
- **Accounts and other receivable, net** decreased by \$464 million, primarily due to recent dispositions.
- **Inventory and other assets** decreased by \$973 million, primarily due to recent dispositions.
- **Intangible assets** decreased by \$1,072 million, primarily due to recent dispositions, combined with the regular amortization of intangibles.
- **Equity accounted investments** increased \$112 million, primarily due to the recognition of our technology services operation as an equity accounted investment following a partial disposition during Q4 2023 and a capital contribution to our work access services, partially offset by the reclassification of our graphite electrode operations as a financial asset.
- **Accounts payable and other** decreased by \$731 million, primarily due to recent dispositions.
- **Non-recourse borrowings in subsidiaries of Brookfield Business Partners** decreased by \$1,103 million, primarily due to recent dispositions and repayment of debt at our advanced energy storage operation. The decrease was partially offset by changes in ownership of recently acquired operations.

1. Information presented on a proportionate basis are non-IFRS measures that represent the Partnership's share of financial position. For further information, 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

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 ⁽¹⁾	Economic Ownership Interest ⁽²⁾
Business Services	Greenery	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	17%
	La Trobe	May 2022	\$213 million	35%
	CDK Global	July 2022	\$726 million	26%
	Magnati	August 2022	\$68 million	22%
Nielsen	October 2022	\$400 million	7% ⁽³⁾	
Infrastructure Services	Altera	September 2017	\$800 million	53%
	BrandSafway	January 2020	\$636 million	18%
	Modulaire	December 2021	\$460 million	28%
	Scientific Games	April 2022	\$785 million	33%
Industrials	BRK Ambiental	April 2017	\$421 million	26%
	Schoeller	May 2018	\$79 million	14%
	Clarios	April 2019	\$820 million	28%
	Aldo	August 2021	\$153 million	35%
	DexKo	October 2021	\$474 million	33%
	Cupa	May 2022	\$100 million	23%

1. Figures presented are attributable to Unitholders.

2. As at December 31, 2023, does not include impact of subsequent events, unless otherwise noted.

3. 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
	Q4	Q3	Q2	Q1	Q4
Revenues	\$ 3,996	\$ 4,336	\$ 4,128	\$ 4,175	\$ 4,441
Direct operating costs	(3,636)	(3,902)	(3,743)	(3,765)	(3,997)
General and administrative expenses	(122)	(149)	(148)	(151)	(146)
Interest income (expense), net	(291)	(330)	(326)	(292)	(269)
Equity accounted income (loss), net	16	8	12	8	14
Impairment reversal (expense), net	(239)	(26)	(3)	—	(3)
Gain (loss) on acquisitions / dispositions, net	1,928	41	22	73	12
Other income (expense), net	(282)	(28)	23	68	(66)
Income (loss) before income tax	\$ 1,370	\$ (50)	\$ (35)	116	\$ (14)
Income tax (expense) recovery					
Current	(60)	(65)	(81)	(45)	(56)
Deferred	130	93	90	25	78
	\$ 1,440	\$ (22)	\$ (26)	96	\$ 8
Attributable to:					
Limited partners	\$ 488	\$ (15)	\$ (16)	25	\$ (5)
Redemption-exchange units	457	(14)	(16)	24	(4)
BBUC exchangeable shares	478	(15)	(16)	25	(5)
Preferred securities	17	22	22	22	22

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.

Historical Statements of Proportionate Operating Results

The following table presents our proportionate results from operations for the years ended December 31, 2023, 2022 and 2021:

US\$ millions, unaudited	For the Year Ended December 31,		
	2023	2022	2021 ⁽¹⁾
Revenues	\$ 16,635	\$ 17,121	\$ 14,426
Direct operating costs	(15,046)	(15,664)	(13,274)
General and administrative expenses	(570)	(533)	(409)
Interest income (expense), net	(1,239)	(849)	(477)
Equity accounted income (loss), net	44	83	1
Impairment reversal (expense), net	(268)	34	(160)
Gain (loss) on acquisitions/dispositions, net	2,064	16	632
Other income (expense), net	(219)	(252)	(10)
Income (loss) before income tax	\$ 1,401	\$ (44)	\$ 729
Income tax (expense) recovery			
Current	(251)	(137)	(218)
Deferred	338	306	132
	\$ 1,488	\$ 125	\$ 643
Attributable to:			
Limited partners	\$ 482	\$ 36	\$ 258
Redemption-exchange units	451	34	228
Special limited partners	—	—	157
BBUC exchangeable shares	472	28	—
Preferred securities	83	27	—

1. Results for the year ended 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.

Segment Reconciliation - Three Months Ended December 31, 2023

Brookfield

Proportionate Operating Results to Consolidated Operating Results

For the three months ended December 31, 2023 US\$ millions, unaudited	Attributable to Unitholders					Total	Attributable to Others	As per IFRS Financials
	Business Services	Infrastructure Services	Industrials	Corporate and Other				
Revenues	\$ 2,361	\$ 542	\$ 1,093	\$ —	\$ 3,996	\$ 9,409	\$ 13,405	
Direct operating costs ⁽¹⁾	(2,106)	(382)	(860)	(3)	(3,351)	(7,967)	(11,318)	
General and administrative expenses	(45)	(27)	(28)	(22)	(122)	(214)	(336)	
Equity accounted Adjusted EBITDA ⁽²⁾	17	51	17	—	85	59	144	
Adjusted EBITDA	\$ 227	\$ 184	\$ 222	\$ (25)	\$ 608			
Gain (loss) on acquisitions / dispositions, net ⁽³⁾	66	1,711	1	—	1,778	2,317	4,095	
Gain (loss) on acquisitions / dispositions, net recorded in equity ⁽⁴⁾	—	—	20	—	20	32	52	
Other income (expense), net ⁽⁵⁾	—	—	1	—	1	4	5	
Interest income (expense), net	(75)	(84)	(94)	(38)	(291)	(567)	(858)	
Current income tax (expense) recovery	(31)	(3)	(29)	3	(60)	(111)	(171)	
Preferred equity distributions	—	—	—	(17)	(17)	17	—	
Equity accounted Adjusted EFO ⁽²⁾	(6)	(18)	(6)	—	(30)	(11)	(41)	
Adjusted EFO	\$ 181	\$ 1,790	\$ 115	\$ (77)	\$ 2,009			
Depreciation and amortization expense ⁽¹⁾					(285)	(606)	(891)	
Impairment reversal (expense), net					(239)	(541)	(780)	
Gain (loss) on acquisitions / dispositions, net ⁽³⁾					150	232	382	
Gain (loss) on acquisitions / dispositions, net recorded in equity					(20)	(32)	(52)	
Other income (expense), net ⁽⁵⁾					(283)	(66)	(349)	
Deferred income tax (expense) recovery					130	122	252	
Non-cash items attributable to equity accounted investments ⁽²⁾					(39)	(16)	(55)	
Net income (loss)					\$ 1,423	\$ 2,061	\$ 3,484	

1. The sum of these amounts equates to direct operating costs of \$12,209 million as per consolidated statements of operating results.

2. The sum of these amounts equates to equity accounted income (loss), net of \$48 million as per consolidated statements of operating results.

3. Gain (loss) on acquisitions/dispositions, net recorded in Adjusted EFO of \$1,778 million primarily represents the partnership's economic ownership interest in gains related to the disposition of our nuclear technology services operation and the partial disposition of technology services operation.

4. Gain (loss) on acquisitions/dispositions, net recorded in equity in Adjusted EFO of \$20 million represents the partnership's economic ownership interest in gains related to the disposition of public securities and the partial disposition of graphite electrode operations.

5. The sum of these amounts equates to other income (expense), net of \$(344) 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 \$(283) million includes \$247 million of loss related to the reclassification of our graphite electrode operations as a financial asset, \$8 million of net unrealized revaluation losses, \$16 million of business separation expenses, stand-up costs and restructuring charges, \$14 million of transaction costs, \$26 million of net gains on debt extinguishment/modification and \$24 million of other expenses.

Segment Reconciliation - Year Ended December 31, 2023

Brookfield

Proportionate Operating Results to Consolidated Operating Results

For the year ended December 31, 2023 US\$ millions, unaudited	Attributable to Unitholders				Total	Attributable to Others	As per IFRS Financials
	Business Services	Infrastructure Services	Industrials	Corporate and Other			
Revenues	\$ 9,261	\$ 2,916	\$ 4,458	\$ —	\$ 16,635	\$ 38,433	\$ 55,068
Direct operating costs ⁽¹⁾	(8,246)	(2,087)	(3,532)	(16)	(13,881)	(32,548)	(46,429)
General and administrative expenses	(176)	(159)	(134)	(101)	(570)	(968)	(1,538)
Equity accounted Adjusted EBITDA ⁽²⁾	61	183	63	—	307	187	494
Adjusted EBITDA	\$ 900	\$ 853	\$ 855	\$ (117)	\$ 2,491		
Gain (loss) on acquisitions / dispositions, net ⁽³⁾	155	1,717	42	—	1,914	2,390	4,304
Gain (loss) on acquisitions / dispositions, net recorded in equity ⁽⁴⁾	21	—	106	—	127	267	394
Other income (expense), net ⁽⁵⁾	—	16	3	—	19	32	51
Interest income (expense), net	(295)	(406)	(393)	(145)	(1,239)	(2,357)	(3,596)
Current income tax (expense) recovery	(127)	(36)	(98)	10	(251)	(524)	(775)
Preferred equity distributions	—	—	—	(83)	(83)	83	—
Equity accounted Adjusted EFO ⁽²⁾	(18)	(74)	(23)	—	(115)	(37)	(152)
Adjusted EFO	\$ 636	\$ 2,070	\$ 492	\$ (335)	\$ 2,863		
Depreciation and amortization expense ⁽¹⁾					(1,165)	(2,427)	(3,592)
Impairment reversal (expense), net					(268)	(563)	(831)
Gain (loss) on acquisitions / dispositions, net					150	232	382
Gain (loss) on acquisitions / dispositions, net recorded in equity					(127)	(267)	(394)
Other income (expense), net ⁽⁵⁾					(238)	9	(229)
Deferred income tax (expense) recovery					338	492	830
Non-cash items attributable to equity accounted investments ⁽²⁾					(148)	(62)	(210)
Net income (loss)					\$ 1,405	\$ 2,372	\$ 3,777

1. The sum of these amounts equates to direct operating costs of \$50,021 million as per consolidated statements of operating results.

2. The sum of these amounts equates to equity accounted income (loss), net of \$132 million as per consolidated statements of operating results.

3. Gain (loss) on acquisitions/dispositions, net recorded in Adjusted EFO of \$1,914 million primarily represents the partnership's economic ownership interest in gains related to the dispositions of our nuclear technology services operation, residential property management operation, technology services operation and automotive aftermarket parts remanufacturing operation.

4. Gain (loss) on acquisitions/dispositions, net recorded in equity in Adjusted EFO of \$127 million primarily represents the partnership's economic ownership interest in gains related to the disposition of public securities.

5. The sum of these amounts equates to other income (expense), net of \$(178) 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 \$(238) million includes \$247 million of loss related to the reclassification of our graphite electrode operations as a financial asset, \$14 million of net unrealized revaluation gains, \$69 million of business separation expenses, stand-up costs and restructuring charges, \$53 million of transaction costs, \$161 million of net gains on debt extinguishment/modification and \$44 million of other expenses.

Segment Reconciliation - Three Months Ended December 31, 2022

Brookfield

Proportionate Operating Results to Consolidated Operating Results

For the three months ended December 31, 2022 US\$ millions, unaudited	Attributable to Unitholders				Total	Attributable to Others	As per IFRS Financials
	Business Services	Infrastructure Services	Industrials	Corporate and Other			
Revenues	\$ 2,354	\$ 878	\$ 1,209	\$ —	\$ 4,441	\$ 10,199	\$ 14,640
Direct operating costs ⁽¹⁾	(2,145)	(625)	(960)	(9)	(3,739)	(8,711)	(12,450)
General and administrative expenses	(42)	(36)	(39)	(29)	(146)	(249)	(395)
Equity accounted Adjusted EBITDA ⁽²⁾	14	37	20	—	71	45	116
Adjusted EBITDA	\$ 181	\$ 254	\$ 230	\$ (38)	\$ 627		
Gain (loss) on acquisitions / dispositions, net	9	—	3	—	12	5	17
Gain (loss) on acquisitions / dispositions, net recorded in equity ⁽³⁾	—	—	22	—	22	41	63
Other income (expense), net ⁽⁴⁾	—	3	1	—	4	13	17
Interest income (expense), net	(58)	(89)	(102)	(20)	(269)	(536)	(805)
Current income tax (expense) recovery	(36)	(4)	(29)	13	(56)	(116)	(172)
Preferred equity distributions	—	—	—	(22)	(22)	22	—
Equity accounted Adjusted EFO ⁽²⁾	(3)	(16)	(6)	—	(25)	(12)	(37)
Adjusted EFO	\$ 93	\$ 148	\$ 119	\$ (67)	\$ 293		
Depreciation and amortization expense ⁽¹⁾					(258)	(584)	(842)
Impairment reversal (expense), net					(3)	(46)	(49)
Gain (loss) on acquisitions / dispositions, net recorded in equity					(22)	(41)	(63)
Other income (expense), net ⁽⁴⁾					(70)	(74)	(144)
Deferred income tax (expense) recovery					78	104	182
Non-cash items attributable to equity accounted investments ⁽²⁾					(32)	(11)	(43)
Net income (loss)					\$ (14)	\$ 49	\$ 35

1. The sum of these amounts equates to direct operating costs of \$13,292 million as per consolidated statements of operating results.

2. The sum of these amounts equates to equity accounted income (loss), net of \$36 million as per consolidated statements of operating results.

3. Gain (loss) on acquisitions/dispositions, net recorded in equity in Adjusted EFO of \$22 million represents the partnership's economic ownership interest in gains related to the partial disposition of public securities.

4. The sum of these amounts equates to other income (expense), net of \$(127) 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 \$(70) million includes \$8 million of net unrealized revaluation gains, \$47 million of business separation expenses, stand-up costs and restructuring charges, \$16 million of transaction costs and \$15 million of other expenses.

Segment Reconciliation - Year Ended December 31, 2022

Brookfield

Proportionate Operating Results to Consolidated Operating Results

For the year ended December 31, 2022 US\$ millions, unaudited	Attributable to Unitholders					Total	Attributable to Others	As per IFRS Financials
	Business Services	Infrastructure Services	Industrials	Corporate and Other				
Revenues	\$ 9,562	\$ 2,968	\$ 4,591	\$ —	\$ 17,121	\$ 40,264	\$ 57,385	
Direct operating costs ⁽¹⁾	(8,830)	(2,089)	(3,666)	(28)	(14,613)	(35,274)	(49,887)	
General and administrative expenses	(142)	(146)	(135)	(110)	(533)	(827)	(1,360)	
Equity accounted Adjusted EBITDA ⁽²⁾	51	139	89	—	279	158	437	
Adjusted EBITDA	\$ 641	\$ 872	\$ 879	\$ (138)	\$ 2,254			
Gain (loss) on acquisitions/dispositions, net	9	—	7	—	16	12	28	
Gain (loss) on acquisitions/dispositions, net recorded in equity ⁽³⁾	19	—	33	—	52	61	113	
Other income (expense), net ⁽⁴⁾	2	2	2	—	6	19	25	
Interest income (expense), net	(155)	(288)	(335)	(71)	(849)	(1,689)	(2,538)	
Current income tax (expense) recovery ⁽⁵⁾	(80)	(19)	(92)	58	(133)	(312)	(445)	
Preferred equity distribution	—	—	—	(27)	(27)	27	—	
Equity Accounted Adjusted EFO ⁽²⁾	(9)	(54)	(21)	—	(84)	(39)	(123)	
Adjusted EFO	\$ 427	\$ 513	\$ 473	\$ (178)	\$ 1,235			
Depreciation and amortization expense ⁽¹⁾					(1,051)	(2,172)	(3,223)	
Impairment reversal (expense), net					34	(25)	9	
Gain (loss) on acquisitions/dispositions, net recorded in equity					(52)	(61)	(113)	
Current income tax (expense) recovery ⁽⁵⁾					(4)	(9)	(13)	
Other income (expense), net ⁽⁴⁾					(258)	(425)	(683)	
Deferred income tax (expense) recovery					306	471	777	
Non-cash items attributable to equity accounted investments ⁽²⁾					(112)	(37)	(149)	
Net income (loss)					\$ 98	\$ 142	\$ 240	

1. The sum of these amounts equates to direct operating costs of \$53,110 million as per consolidated statements of operating results.
2. The sum of these amounts equates to equity accounted income (loss), net of \$165 million as per consolidated statements of operating results.
3. Gain (loss) on acquisitions/dispositions, net recorded in equity in Adjusted EFO of \$52 million represents the partnership's economic ownership interest in gains on dispositions of \$33 million related to the partial disposition of public securities and \$19 million related to the disposition of a financial asset measured at FVOCI.
4. The sum of these amounts equates to other income (expense), net of \$(658) 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 \$(258) million includes \$76 million of net unrealized revaluation losses, \$108 million of business separation expenses, stand-up costs restructuring charges, \$68 million of transaction costs and \$6 million of other expenses.
5. The sum of these amounts equates to current income tax (expense) recovery of \$(458) million as per consolidated statements of operating results.

Proportionate Statements of Financial Position

Brookfield

Proportionate Financial Position to Consolidated Financial Position

US\$ millions, unaudited	As at					
	December 31, 2023			December 31, 2022 ⁽¹⁾		
	Attributable to Unitholders	Attributable to Others	As per IFRS Financials	Attributable to Unitholders	Attributable to Others	As per IFRS Financials
Assets						
Cash and cash equivalents	\$ 1,274	\$ 1,978	\$ 3,252	\$ 1,169	\$ 1,701	\$ 2,870
Financial assets	5,155	8,021	13,176	4,631	8,277	12,908
Accounts and other receivable, net	2,551	4,012	6,563	3,015	4,263	7,278
Inventory and other assets	1,594	3,727	5,321	2,567	4,992	7,559
Property, plant and equipment	5,452	10,272	15,724	5,384	10,509	15,893
Deferred income tax assets	514	706	1,220	480	765	1,245
Intangible assets	6,021	14,825	20,846	7,093	16,860	23,953
Equity accounted investments	1,321	833	2,154	1,209	856	2,065
Goodwill	4,428	9,701	14,129	4,621	10,858	15,479
	\$ 28,310	\$ 54,075	\$ 82,385	\$ 30,169	\$ 59,081	\$ 89,250
Liabilities						
Corporate borrowings	\$ 1,440	\$ —	\$ 1,440	\$ 2,100	\$ —	\$ 2,100
Accounts payable and other	6,501	11,877	18,378	7,232	13,198	20,430
Non-recourse borrowings in subsidiaries of Brookfield Business Partners	13,134	27,675	40,809	14,237	30,356	44,593
Deferred income tax liabilities	919	2,307	3,226	1,006	2,692	3,698
	\$ 21,994	\$ 41,859	\$ 63,853	\$ 24,575	\$ 46,246	\$ 70,821

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	
	Dec 31, 2023	Dec 31, 2022
Total equity	\$ 18,532	\$ 18,429
Less: Preferred securities	740	1,490
Less: Interest of others in operating subsidiaries	12,216	12,835
Equity attributable to Unitholders	\$ 5,576	\$ 4,104

Proportionate Balance Sheet Items Reconciliation to Consolidated Balance Sheet Items

US\$ millions, unaudited	Attributable to Unitholders						
	Business Services	Infrastructure Services	Industrials	Corporate and Other	Total	Attributable to Others	As per IFRS Financials
Cash							
December 31, 2023	\$ 749	\$ 189	\$ 224	\$ 112	\$ 1,274	\$ 1,978	\$ 3,252
December 31, 2022	586	270	190	123	1,169	1,701	2,870
Borrowings							
December 31, 2023	\$ 5,813	\$ 3,118	\$ 4,203	\$ 1,440	\$ 14,574	\$ 27,675	\$ 42,249
December 31, 2022	4,545	5,183	4,509	2,100	16,337	30,356	46,693
Borrowings, net of cash							
December 31, 2023	\$ 5,064	\$ 2,929	\$ 3,979	\$ 1,328	\$ 13,300	\$ 25,697	\$ 38,997
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 unaudited interim condensed 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, unrealized 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 unaudited interim condensed 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.