

Brookfield Business Partners Reports First Quarter 2024 Results

Brookfield, News, May 3, 2024 – Brookfield Business Partners (NYSE: BBUC, BBU; TSX: BBUC, BBU.UN) announced today financial results for the quarter ended March 31, 2024.

“We are pleased with our first quarter results supported by the ongoing performance of our largest operations,” said Anuj Ranjan, CEO of Brookfield Business Partners. “We generated strong margins and the progress achieved on our value creation plans is contributing to higher quality earnings of our operations. Our access to capital continues to be favorable and we generated approximately \$300 million of net proceeds from our capital recycling initiatives including agreements to sell two small operations.”

<i>US\$ millions (except per unit amounts), unaudited</i>	Three Months Ended March 31,	
	2024	2023
Net income (loss) attributable to Unitholders ¹	\$ 48	\$ 74
Net income (loss) per limited partnership unit ²	\$ 0.23	\$ 0.34
Adjusted EBITDA ³	\$ 544	\$ 622

Net income attributable to Unitholders for the three months ended March 31, 2024 was \$48 million (\$0.23 income per limited partnership unit) compared to net income of \$74 million (\$0.34 per limited partnership unit) in the prior period.

Adjusted EBITDA for the three months ended March 31, 2024 was \$544 million compared to \$622 million in the prior period. Prior period results included contribution from our nuclear technology services operation which was sold in November 2023.

Operational Update

The following table presents Adjusted EBITDA by segment:

<i>US\$ millions, unaudited</i>	Three Months Ended March 31,	
	2024	2023
Industrials	\$ 228	\$ 219
Business Services	205	212
Infrastructure Services	143	225
Corporate and Other	(32)	(34)
Adjusted EBITDA	\$ 544	\$ 622

Our **Industrials** segment generated Adjusted EBITDA of \$228 million for the three months ended March 31, 2024, compared to \$219 million during the same period in 2023. Strong performance at our advanced energy storage operation was partially offset by reduced contribution from engineered components manufacturing.

Our **Business Services** segment generated Adjusted EBITDA of \$205 million for the three months ended March 31, 2024, compared to \$212 million during the same period in 2023. Increased contribution from our dealer software and technology services operation and residential mortgage insurer was offset by reduced performance at our construction operation and our Australian healthcare services operation which continues to operate in a challenging environment.

Our **Infrastructure Services** segment generated Adjusted EBITDA of \$143 million for the three months ended March 31, 2024, compared to \$225 million during the same period in 2023 which included contribution from our nuclear technology services operation that was sold in November 2023. Current period results benefited from improved performance at work access services offset by reduced contribution from offshore oil services.

The following table presents Adjusted EFO⁴ by segment:

<i>US\$ millions, unaudited</i>	Three Months Ended March 31,	
	2024	2023
Adjusted EFO		
Industrials	\$ 180	\$ 162
Business Services	168	213
Infrastructure Services	72	86
Corporate and Other	(89)	(80)

Adjusted EFO for the three months ended March 31, 2024 reflected increased contribution from our Industrials segment offset by the disposition of our nuclear technology services operation in our Infrastructure Services segment and the impact of higher interest expense in our Business Services segment. Adjusted EFO in the current period included \$50 million of other income related to a distribution at our entertainment operation in our Business Services segment and \$62 million of net gains primarily related to the sale of public securities in our Industrials segment. Adjusted EFO in the prior period included approximately \$130 million of net gains primarily related to the sale of public securities and our residential property management operation in our Business Services segment.

Strategic Initiatives

- **Capital Recycling**

During the quarter, we reached an agreement to sell our Canadian aggregates production operation and the U.K. and European assets of our road fuels operation. Total net proceeds from these transactions is expected to be approximately \$390 million of which BBU's share is expected to be approximately \$180 million.

- **Refinancing**

Subsequent to quarter end, BrandSafway, our work access services operation completed the repricing of a \$1.3 billion term loan at SOFR plus 4.50%, reducing the interest rate spread on the debt from SOFR plus 5.50%. Total proceeds raised of \$1.5 billion were upsized from the original loan size of \$1.3 billion and excess proceeds were used to repay the existing borrowings.

Liquidity

We ended the quarter with approximately \$1.6 billion of liquidity at the corporate level including \$137 million of cash and liquid securities, \$25 million of remaining preferred equity commitment from Brookfield Corporation and \$1.4 billion of availability on our corporate credit facilities.

Distribution

The Board of Directors has declared a quarterly distribution in the amount of \$0.0625 per unit, payable on June 28, 2024 to unitholders of record as at the close of business on May 31, 2024.

Additional Information

The Board has reviewed and approved this news release, including the summarized unaudited interim consolidated financial statements contained herein.

Brookfield Business Partners' Letter to Unitholders and the Supplemental Information are available on our website <https://bbu.brookfield.com> under *Reports & Filings*.

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Notes:

- 1 Attributable to limited partnership unitholders, general partnership unitholders, redemption-exchange unitholders, special limited partnership unitholders and BBUC exchangeable shareholders.*
- 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 for the three months ended March 31, 2024 which was 74.3 million (March 31, 2023: 74.6 million).*
- 3 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 expense, gains (losses) on acquisitions/dispositions, net, transaction costs, restructuring charges, revaluation gains or losses, impairment expenses or reversals, other income or expenses, and preferred equity distributions. 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 statements 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. Please refer to the reconciliation of net income (loss) to Adjusted EBITDA included in this release.*
- 4 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 expense, 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 statements 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.*

Brookfield Business Partners is a global business services and industrials company focused on owning and operating high-quality businesses that provide essential products and services and benefit from a strong competitive position. Investors have flexibility to invest in our company either through Brookfield Business Corporation (NYSE, TSX: BBUC), a corporation, or Brookfield Business Partners L.P. (NYSE: BBU; TSX: BBU.UN), a limited partnership. For more information, please visit <https://bbu.brookfield.com>.

Brookfield Business Partners is the flagship listed vehicle of Brookfield Asset Management's Private Equity Group. Brookfield Asset Management is a leading global alternative asset manager with over \$900 billion of assets under management.

Please note that Brookfield Business Partners' previous audited annual and unaudited quarterly reports have been filed on SEDAR+ and EDGAR, and are available at <https://bbu.brookfield.com> under *Reports & Filings*. Hard copies of the annual and quarterly reports can be obtained free of charge upon request.

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Conference Call and Quarterly Earnings Webcast Details

Investors, analysts and other interested parties can access Brookfield Business Partners' first quarter 2024 results as well as the Letter to Unitholders and Supplemental Information on our website <https://bbu.brookfield.com> under *Reports & Filings*.

The results call can be accessed via webcast on May 3, 2024 at 10:00 a.m. Eastern Time at [BBU2024Q1Webcast](#) or participants can preregister at [BBU2024Q1ConferenceCall](#). Upon registering, participants will be emailed a dial-in number, direct passcode, and unique PIN. A replay of the webcast will be available at <https://bbu.brookfield.com>.

Brookfield Business Partners L.P.
Consolidated Statements of Financial Position

<i>US\$ millions, unaudited</i>	As at	
	March 31, 2024	December 31, 2023
Assets		
Cash and cash equivalents	\$ 3,148	\$ 3,252
Financial assets	13,138	13,176
Accounts and other receivable, net	6,915	6,563
Inventory and other assets	5,187	5,321
Property, plant and equipment	15,406	15,724
Deferred income tax assets	1,216	1,220
Intangible assets	20,302	20,846
Equity accounted investments	2,143	2,154
Goodwill	13,960	14,129
Total Assets	\$ 81,415	\$ 82,385
Liabilities and Equity		
Liabilities		
Corporate borrowings	\$ 1,870	\$ 1,440
Accounts payable and other	18,046	18,378
Non-recourse borrowings in subsidiaries of Brookfield Business Partners	40,013	40,809
Deferred income tax liabilities	3,086	3,226
Equity		
Limited partners	\$ 1,887	\$ 1,909
Non-controlling interests attributable to:		
Redemption-exchange units	1,771	1,792
Special limited partner	—	—
BBUC exchangeable shares	1,853	1,875
Preferred securities	740	740
Interest of others in operating subsidiaries	12,149	12,216
	18,400	18,532
Total Liabilities and Equity	\$ 81,415	\$ 82,385

Brookfield Business Partners L.P.
Consolidated Statements of Operating Results

<i>US\$ millions, unaudited</i>	Three Months Ended March 31,	
	2024	2023
Revenues	\$ 12,015	\$ 13,758
Direct operating costs	(10,878)	(12,466)
General and administrative expenses	(317)	(401)
Interest income (expense), net	(796)	(865)
Equity accounted income (loss)	23	25
Impairment reversal (expense), net	10	—
Gain (loss) on acquisitions/dispositions, net	15	81
Other income (expense), net	116	129
Income (loss) before income tax	188	261
Income tax (expense) recovery		
Current	(90)	(126)
Deferred	105	68
Net income (loss)	\$ 203	\$ 203
Attributable to:		
Limited partners	\$ 17	\$ 25
Non-controlling interests attributable to:		
Redemption-exchange units	15	24
Special limited partner	—	—
BBUC exchangeable shares	16	25
Preferred securities	13	22
Interest of others in operating subsidiaries	142	107

Brookfield Business Partners L.P. Reconciliation of Non-IFRS Measures

Three Months Ended March 31, 2024

<i>US\$ millions, unaudited</i>					
	Business Services	Infrastructure Services	Industrials	Corporate and Other	Total
Net income (loss)	\$ 240	\$ (65)	\$ 98	\$ (70)	\$ 203
Add or subtract the following:					
Depreciation and amortization expense	254	212	342	—	808
Impairment reversal (expense), net	(4)	(12)	6	—	(10)
Gain (loss) on acquisitions/dispositions, net	(15)	—	—	—	(15)
Other income (expense), net ¹	(140)	(18)	32	10	(116)
Income tax (expense) recovery	24	(3)	(27)	(9)	(15)
Equity accounted income (loss)	(1)	(4)	(18)	—	(23)
Interest income (expense), net	252	180	327	37	796
Equity accounted Adjusted EBITDA ²	17	39	16	—	72
Amounts attributable to non-controlling interests ³	(422)	(186)	(548)	—	(1,156)
Adjusted EBITDA	\$ 205	\$ 143	\$ 228	\$ (32)	\$ 544

Notes:

- 1 *Other income (expense), net corresponds to amounts that are not directly related to revenue earning activities and are not normal, recurring income or expenses necessary for business operations. The components of other income (expense), net include \$158 million of net revaluation gains, \$50 million of other income related to a distribution at our entertainment operation, \$21 million of transaction costs, \$19 million of business separation expenses, stand-up costs and restructuring charges, and \$52 million of other expenses.*
- 2 *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.*
- 3 *Amounts attributable to non-controlling interests are calculated based on the economic ownership interests held by the non-controlling interests in consolidated subsidiaries.*

Brookfield Business Partners L.P. Reconciliation of Non-IFRS Measures

<i>US\$ millions, unaudited</i>	Three Months Ended March 31, 2023				
	Business Services	Infrastructure Services	Industrials	Corporate and Other	Total
Net income (loss)	\$ 176	\$ 101	\$ (31)	\$ (43)	\$ 203
Add back or deduct the following:					
Depreciation and amortization expense	253	303	344	—	900
Gain (loss) on acquisitions/dispositions, net	(67)	(14)	—	—	(81)
Other income (expense), net ¹	29	(187)	28	1	(129)
Income tax expense (recovery)	39	7	35	(23)	58
Equity accounted income (loss)	(2)	(9)	(14)	—	(25)
Interest income (expense), net	241	260	333	31	865
Equity accounted Adjusted EBITDA ²	14	42	15	—	71
Amounts attributable to non-controlling interests ³	(471)	(278)	(491)	—	(1,240)
Adjusted EBITDA	\$ 212	\$ 225	\$ 219	\$ (34)	\$ 622

Notes:

- 1 *Other income (expense), net corresponds to amounts that are not directly related to revenue earning activities and are not normal, recurring income or expenses necessary for business operations. The components of other income (expense), net include \$234 million of net gains on debt modification and extinguishment, \$47 million of business separation expenses, stand-up costs and restructuring charges, \$21 million of transaction costs, and \$37 million of other expenses.*
- 2 *Equity accounted Adjusted EBITDA corresponds to the Adjusted EBITDA attributable to the partnership that is generated by our investments in associates and joint ventures accounted for using the equity method.*
- 3 *Amounts attributable to non-controlling interests are calculated based on the economic ownership interests held by the non-controlling interests in consolidated subsidiaries.*

Brookfield Business Corporation Reports First Quarter 2024 Results

Brookfield, News, May 3, 2024 – Brookfield Business Corporation (NYSE, TSX: BBUC) announced today its net income (loss) for the quarter ended March 31, 2024.

<i>US\$ millions, unaudited</i>	Three Months Ended March 31,	
	2024	2023
Net income (loss) attributable to Brookfield Business Partners	\$ (150)	\$ (140)

Net loss attributable to Brookfield Business Partners for the three months ended March 31, 2024 was \$150 million compared to net loss of \$140 million during the same period in 2023. Current period results included a remeasurement loss on our exchangeable and class B shares that are classified as liabilities under IFRS. As at March 31, 2024, the exchangeable and class B shares were remeasured to reflect the closing price of \$22.10 per unit. Prior period results included contribution from our nuclear technology services operation which was sold in November 2023.

Dividend

The Board of Directors has declared a quarterly dividend in the amount of \$0.0625 per share, payable on June 28, 2024 to shareholders of record as at the close of business on May 31, 2024. This dividend is identical in amount per share and has identical record and payment dates to the quarterly distribution declared by the Board of Directors of the general partner of Brookfield Business Partners on its units.

Additional Information

Each exchangeable share of Brookfield Business Corporation has been structured with the intention of providing an economic return equivalent to one unit of Brookfield Business Partners L.P. Each exchangeable share will be exchangeable at the option of the holder for one unit. Brookfield Business Corporation will target that dividends on its exchangeable shares will be declared and paid at the same time as distributions are declared and paid on the Brookfield Business Partners' units and that dividends on each exchangeable share will be declared and paid in the same amount as distributions are declared and paid on each unit to provide holders of exchangeable shares with an economic return equivalent to holders of units.

In addition to carefully considering the disclosures made in this news release in its entirety, shareholders are strongly encouraged to carefully review the Letter to Unitholders, Supplemental Information and other continuous disclosure filings which are available at <https://bbu.brookfield.com>.

Please note that Brookfield Business Corporation's previous audited annual and unaudited quarterly reports have been filed on SEDAR+ and EDGAR and are available at <https://bbu.brookfield.com/bbuc> under *Reports & Filings*. Hard copies of the annual and quarterly reports can be obtained free of charge upon request.

Brookfield Business Corporation
Consolidated Statements of Financial Position

<i>US\$ millions, unaudited</i>	As at	
	March 31, 2024	December 31, 2023
Assets		
Cash and cash equivalents	\$ 743	\$ 772
Financial assets	303	224
Accounts and other receivable, net	3,601	3,569
Inventory, net	59	61
Other assets	710	737
Property, plant and equipment	2,622	2,743
Deferred income tax assets	227	221
Intangible assets	6,756	6,931
Equity accounted investments	216	222
Goodwill	5,650	5,702
Total Assets	\$ 20,887	\$ 21,182
Liabilities and Equity		
Liabilities		
Accounts payable and other	\$ 4,939	\$ 4,818
Non-recourse borrowings in subsidiaries of Brookfield Business Corporation	8,545	8,823
Exchangeable and class B shares	1,612	1,501
Deferred income tax liabilities	1,235	1,280
Equity		
Brookfield Business Partners	\$ 722	\$ 880
Non-controlling interests	3,834	3,880
	4,556	4,760
Total Liabilities and Equity	\$ 20,887	\$ 21,182

Brookfield Business Corporation Consolidated Statements of Operating Results

<i>US\$ millions, unaudited</i>	Three Months Ended March 31,	
	2024	2023¹
Continuing operations		
Revenues	\$ 1,865	\$ 1,865
Direct operating costs	(1,652)	(1,616)
General and administrative expenses	(64)	(61)
Interest income (expense), net	(210)	(212)
Equity accounted income (loss)	1	(2)
Impairment reversal (expense), net	(2)	—
Remeasurement of exchangeable and class B shares	(111)	(121)
Other income (expense), net	(11)	(38)
Income (loss) before income tax from continuing operations	(184)	(185)
Income tax (expense) recovery		
Current	(44)	(10)
Deferred	54	13
Net income (loss) from continuing operations	\$ (174)	\$ (182)
Discontinued operations		
Net income (loss) from discontinued operations	—	(3)
Net income (loss)	\$ (174)	\$ (185)
Attributable to:		
Brookfield Business Partners	\$ (150)	\$ (140)
Non-controlling interests	(24)	(45)

Notes:

- ¹ Comparative prior period results have been adjusted to reflect our nuclear technology services operation as a discontinued operation presented as a single amount excluded from continuing operations. Our nuclear technology services operation was reported as part of continuing operations until the end of the third quarter of 2023. Following the sale in the fourth quarter of 2023, comparative prior period results reflect the classification as a discontinued operation.

Cautionary Statement Regarding Forward-looking Statements and Information

Note: This news release contains “forward-looking information” within the meaning of Canadian provincial securities laws and “forward-looking statements” within the meaning of applicable Canadian 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 Brookfield Business Partners, 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 Brookfield Business Partners 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 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 Measure

This news release contains references to a Non-IFRS measure. Adjusted EBITDA is not a generally accepted accounting measure under IFRS and therefore may differ from definitions used by other entities. We believe this is a useful supplemental measure that may assist investors in assessing the financial performance of Brookfield Business Partners and its subsidiaries. However, Adjusted EBITDA 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 news release will be available in our Management’s Discussion and Analysis of Financial Condition and Results of Operations in our interim report for the first quarter ended March 31, 2024 furnished on Form 6-K.