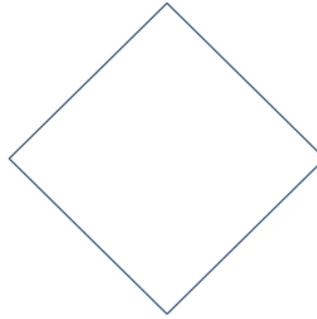


**Brookfield**



2023

Q1 SUPPLEMENTAL  
INFORMATION

# Brookfield Business Partners L.P.

THREE MONTHS ENDED MARCH 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 March 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, including the United States Private Securities Litigation Reform Act of 1995. 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, including the anticipated sale of Westinghouse; the ability to complete and effectively integrate acquisitions into existing operations and the ability to attain expected benefits; changes in accounting policies and methods used to report financial condition (including uncertainties associated with critical accounting assumptions and estimates); the ability to appropriately manage human capital; the effect of applying future accounting changes; business competition; operational and reputational risks; technological change; changes in government regulation and legislation within the countries in which we operate; governmental investigations; litigation; changes in tax laws; ability to collect amounts owed; catastrophic events, such as earthquakes, hurricanes and pandemics/epidemics including COVID-19; the possible impact of international conflicts, wars and related developments including Russia’s invasion of Ukraine, terrorist acts and cyber terrorism; and other risks and factors detailed from time to time in our documents filed with the securities regulators in Canada and the United States including in the “Risks Factors” section in our 2022 Annual Report.*

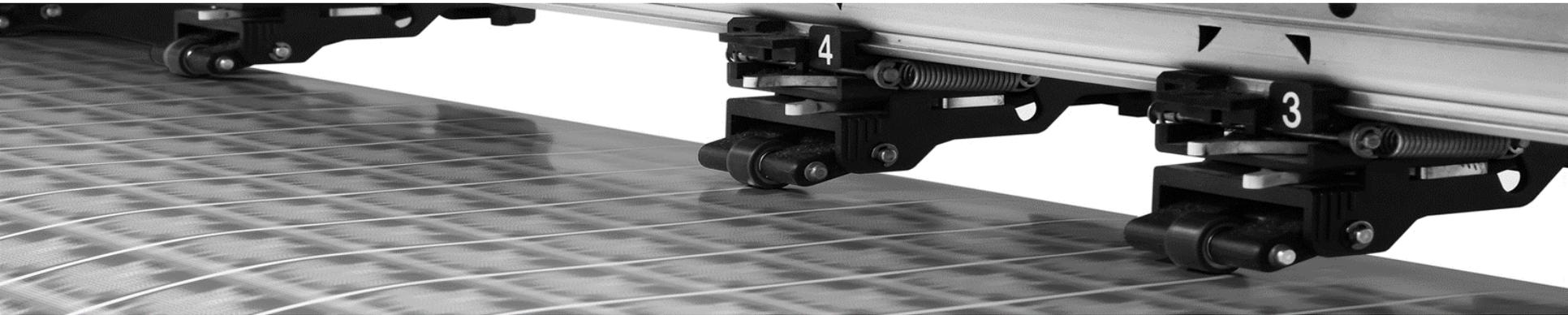
*Statements relating to “reserves” are deemed to be forward-looking statements as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described herein can be profitably produced in the future. We qualify any and all of our forward-looking statements by these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

*We caution that the foregoing list of important factors that may affect future results is not exhaustive. When relying on our forward-looking statements and information, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Except as required by law, we undertake no obligation to publicly update or revise any forward-looking statements or information, whether written or oral, that may be as a result of new information, future events or otherwise.*

## 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 measures are useful supplemental measures that may assist investors in assessing the financial performance of Brookfield Business Partners and its subsidiaries. However, Adjusted EBITDA and Adjusted EBITDA margin should not be considered in isolation from, or as a substitute for, analysis of our financial statements prepared in accordance with IFRS.*

*References to Brookfield Business Partners are to Brookfield Business Partners L.P. together with its subsidiaries, controlled affiliates and operating entities. Unitholders’ results include limited partnership units, redemption-exchange units, general partnership units, BBUC exchangeable shares and special limited partnership units. More detailed information on certain references made in this Supplemental Information will be available in our Management’s Discussion and Analysis of Financial Condition and Results of Operations in our interim report for the first quarter ended March 31, 2023 furnished on Form 6-K.*



# Overview

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## Key Performance Metrics

US\$ millions (except per unit amounts), unaudited	Three Months Ended March 31,	
	2023	2022 <sup>(1)</sup>
Net income attributable to Unitholders	\$ 74	\$ 16
Net income per limited partnership unit <sup>(2)</sup>	0.34	0.10
Adjusted EBITDA <sup>(3)</sup>	622	486

## Statements of Operating Results by Segment

US\$ millions, unaudited	Three Months Ended March 31,		Trailing Twelve Months Ended March 31,	
	2023	2022	2023	2022 <sup>(4)</sup>
Adjusted EBITDA by segment				
Business Services	\$ 212	\$ 94	\$ 760	\$ 551
Infrastructure Services	225	208	889	685
Industrials	219	217	881	758
Corporate and Other	(34)	(33)	(139)	(134)
<b>Adjusted EBITDA</b>	<b>\$ 622</b>	<b>\$ 486</b>	<b>\$ 2,391</b>	<b>\$ 1,860</b>
Adjusted EFO by segment				
Business Services	\$ 213	\$ 60	\$ 580	\$ 387
Infrastructure Services	86	139	460	462
Industrials	162	122	513	580
Corporate and Other	(80)	(31)	(227)	(111)

## Financial Performance - Three Months Ended March 31, 2023

- Net income attributable to Unitholders for the three months ended March 31, 2023 was \$74 million (\$0.34 per limited partnership unit) compared to net income of \$16 million (\$0.10 per limited partnership unit) in the prior period.
- Adjusted EBITDA for the three months ended March 31, 2023 increased to \$622 million from \$486 million in the prior period led by increased contribution from our Business Services and Infrastructure Services operating segments. Adjusted EBITDA margin increased to 19%, compared to 17% in the prior period <sup>(5)</sup>.
- Adjusted EFO for the three months ended March 31, 2023 was \$381 million (\$1.75 per unit <sup>(6)</sup>) compared to \$290 million (\$1.32 per unit <sup>(6)</sup>) in the prior period. Excluding the impact of gain (loss) on acquisitions and dispositions, Adjusted EFO for the three months ended March 31, 2023 was \$251 million (\$1.16 per unit <sup>(6)</sup>) compared to \$290 million (\$1.32 per unit <sup>(6)</sup>) in the prior period.
- We ended the quarter with \$1,577 million of liquidity at the corporate level including \$282 million of cash and liquid securities, \$1,270 million of availability on our credit facilities and \$25 million of remaining commitment from Brookfield Corporation to subscribe for up to \$1,500 million of perpetual preferred equity securities. Pro forma for announced and closed transactions corporate liquidity is approximately \$2,725 million.

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

2. Net income (loss) per limited partnership unit calculated as net income (loss) attributable to limited partners divided by the average number of limited partnership units outstanding which was 74.6 million for the three months ended March 31, 2023 (2022: 76.7 million).

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

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

5. Represents Adjusted EBITDA as a percentage of BBU's proportionate share of revenue for the three months ended March 31, 2023 and March 31, 2022. Excludes contribution from our road fuels operations.

6. Average number of units outstanding on a fully diluted time-weighted average basis for the three months ended March 31, 2023 was 217.3 million (2022: 219.4 million, adjusted for BBUC share split).

## Other Developments

- On January 1, 2023, our residential mortgage insurer adopted a new accounting standard, *IFRS 17 - Insurance Contracts* ("IFRS 17"). Our comparative period information has been adjusted to present the results of our residential mortgage insurer measured in accordance with IFRS 17. The new IFRS 17 accounting standard has no impact on the fundamental economics or cash flow of the business. Total earnings recognized over the duration of an insurance contract is unchanged, however the timing of revenues and earnings is impacted by the new IFRS 17 measurement model. Compared to the previous accounting standard, the recognition of revenue in accordance with IFRS 17 will have more sensitivity to changes in macroeconomic variables and will generally be slower except in periods of rapidly increasing home prices. Losses on claims will largely be unchanged but loss ratios will be higher during periods of slower revenue recognition resulting from the adoption of IFRS 17.
- During the quarter, we sold public securities and our residential property management operation. Our share of the total proceeds generated from these sales was approximately \$195 million.

## Subsequent Events

- On May 1, 2023, our dealer software and technology services operations closed the sale of a non-core division servicing the heavy equipment sector for approximately \$500 million.
- On May 4, 2023, the Board of Directors of the General Partner of the Partnership and BBUC declared a quarterly distribution and quarterly dividend in the amount of \$0.0625 per unit and share, respectively, payable on June 30, 2023 to unitholders and shareholders of record as at the close of business on May 31, 2023.

# Q1 2023 Highlights - Balance Sheet & Liquidity

Brookfield

## Key Balance Sheet Metrics

US\$ millions, unaudited	As at	
	March 31, 2023	December 31, 2022 <sup>(2)</sup>
Total assets	\$ 90,245	\$ 89,250
Non-recourse borrowings in subsidiaries of Brookfield Business Partners <sup>(1)</sup>	45,072	44,593
Corporate borrowings	2,030	2,100
Total equity	18,817	18,429
<b>Proportionate borrowings</b>		
Business Services	\$ 4,656	\$ 4,545
Infrastructure Services	5,399	5,183
Industrials	4,468	4,509
Corporate and Other	2,030	2,100
	\$ 16,553	\$ 16,337
<b>Proportionate share of cash</b>		
Business Services	\$ 472	\$ 586
Infrastructure Services	312	270
Industrials	219	190
Corporate and Other	151	123
	\$ 1,154	\$ 1,169
<b>Proportionate borrowings, net of cash</b>		
Business Services	\$ 4,184	\$ 3,959
Infrastructure Services	5,087	4,913
Industrials	4,249	4,319
Corporate and Other	1,879	1,977
	\$ 15,399	\$ 15,168

## Corporate Liquidity

US\$ millions, unaudited	As at	
	March 31, 2023	December 31, 2022
Corporate cash and financial assets	\$ 282	\$ 392
Committed corporate credit facilities	1,270	1,200
Perpetual preferred equity securities	25	25
<b>Total liquidity</b>	<b>\$ 1,577</b>	<b>\$ 1,617</b>

## Pro Forma Corporate Liquidity

US\$ millions, unaudited	Three Months Ended March 31, 2023	
<b>Total corporate liquidity, beginning of period</b>	<b>\$ 1,617</b>	
Distributions, dispositions and other <sup>(3)</sup>		1,493
Acquisitions and investments <sup>(4)</sup>		(385)
<b>Pro forma corporate liquidity, end of period</b>	<b>\$ 2,725</b>	

- Includes proportionate share of borrowings made under a subscription facility of a Brookfield Fund that Brookfield Business Partners invests alongside.
- Comparative prior period results have been adjusted in accordance with the new IFRS 17 accounting standard adopted at our residential mortgage insurer on January 1, 2023.
- Distributions, dispositions and other of approximately \$1.5 billion reflects approximately \$1.8 billion of expected proceeds from the announced sale of Brookfield Business Partners' 44% interest in Westinghouse, less the accrued interest and proceeds generated from a dividend recapitalization (\$315 million net to Brookfield Business Partners) completed during the three months ended June 30, 2022.
- Relates to the remaining funding of recently 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		
	March 31, 2023	December 31, 2022	March 31, 2022
Limited partnership units	74,612,997	74,612,503	75,967,357
Redemption-exchange units	69,705,497	69,705,497	69,705,497
BBUC exchangeable shares	72,955,091	72,955,585	73,008,085
General partnership and special limited partnership units	8	8	8
<b>Total outstanding</b>	<b>217,273,593</b>	217,273,593	218,680,947

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

US\$ millions (except price and unit amount), unaudited	As at	
	March 31, 2023	December 31, 2022
Partnership units outstanding (in millions) <sup>(2)</sup>	144.3	144.3
Price <sup>(3)</sup>	\$ 18.43	\$ 16.90
Partnership market capitalization	\$ 2,659	\$ 2,439
BBUC exchangeable shares outstanding (in millions)	73.0	73.0
Price <sup>(3)</sup>	\$ 19.82	\$ 18.79
BBUC market capitalization	\$ 1,447	\$ 1,372
Total market capitalization	\$ 4,106	\$ 3,811
Preferred securities	1,475	1,475
Proportionate non-recourse borrowings, net of cash	13,520	13,191
Corporate borrowings, net of cash	1,879	1,977
Enterprise value (EV)	\$ 20,980	\$ 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.

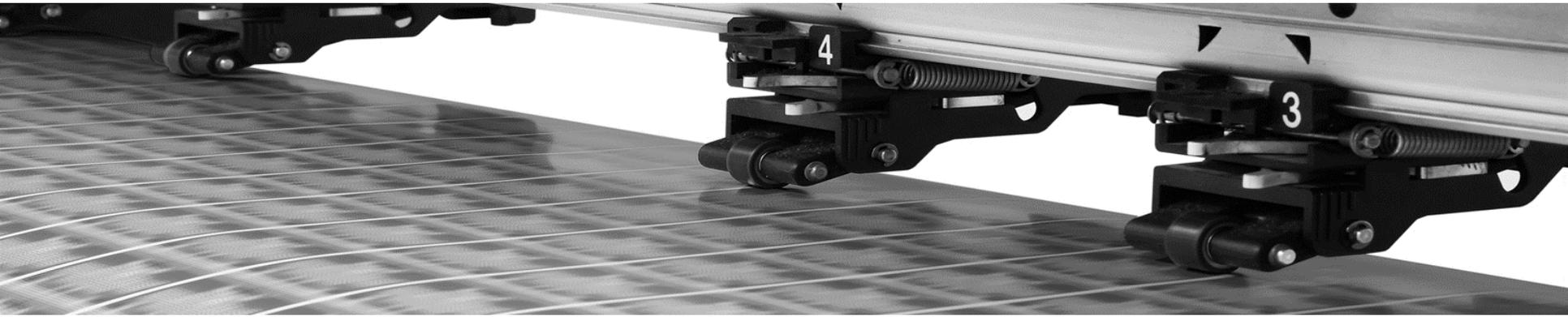
3. TSX: BBU.UN translated to USD at March 31, 2023 and December 31, 2022, respectively at the closing CAD-USD foreign exchange rate. NYSE: BBUC at March 31, 2023 and December 31, 2022, respectively.

## Incentive Distribution Right

- The Special Limited Partner is entitled to an incentive distribution of 20% based on the volume-weighted average increase in the limited 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 first quarter of 2023, the volume-weighted average price per limited partnership unit was \$18.22, which was below the incentive distribution threshold of \$31.53 per limited partnership unit. This resulted in an incentive distribution of \$nil.

## Normal Course Issuer Bid ("NCIB")

- Under our NCIB, Brookfield Business Partners and its affiliates are authorized to repurchase annually up to 5% of their issued and outstanding limited partnership units, or 3,730,593 units, including up to 17,678 units on the TSX during any trading day. Brookfield Business Partners and its affiliates can make block purchases that exceed this daily purchase restriction, subject to the annual aggregate limit.
  - During the three months ended March 31, 2023, the partnership repurchased and canceled nil limited partnership units under our NCIB.
  - During the three months ended March 31, 2023, Brookfield Corporation, as an affiliate, purchased 374,533 limited partnership units under our NCIB.



# Operating Segments

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

Segment	Description	Select Operations	Economic Ownership Interest <sup>(1)</sup>
<b>Business Services</b>	Service businesses including residential mortgage insurance, technology services, healthcare services, fleet management and car rental services and other	• Residential Mortgage Insurer ("Sagen")	• 41%
		• Dealer Software and Technology Services ("CDK Global")	• 20% <sup>(2)</sup>
		• Healthcare Services ("Healthscope")	• 28%
		• Fleet Management and Car Rental Services ("Unidas")	• 35%
<b>Infrastructure Services</b>	Infrastructure businesses servicing large-scale infrastructure assets, including lottery services, modular building leasing services, offshore oil services and other	• Lottery Services ("Scientific Games")	• 36% <sup>(2)</sup>
		• Modular Building Leasing Services ("Modulaire")	• 28% <sup>(2)</sup>
		• Offshore Oil Services ("Altera")	• 53%
<b>Industrials</b>	Industrial businesses including advanced energy storage operations, engineered components manufacturing and other	• Advanced Energy Storage Operations ("Clarios")	• 28%
		• Engineered Components Manufacturing ("DexKo")	• 34% <sup>(2)</sup>

1. As at March 31, 2023. It does not include impact of subsequent events, unless otherwise noted.

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

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

US\$ millions, unaudited	Three Months Ended March 31 <sup>(1)</sup> ,	
	2023	2022
Revenues	\$ 2,210	\$ 2,274
Direct operating costs	(1,967)	(2,159)
General and administrative expenses	(45)	(30)
Equity accounted Adjusted EBITDA	14	9
<b>Adjusted EBITDA</b>	<b>\$ 212</b>	<b>\$ 94</b>
Gain (loss) on acquisitions / dispositions, net	67	—
Gain (loss) on acquisitions / dispositions, net recorded in equity	6	—
Other income (expense), net	—	1
Interest income (expense), net	(61)	(25)
Current income tax (expense) recovery	(8)	(8)
Equity accounted Adjusted EFO	(3)	(2)
<b>Adjusted EFO</b>	<b>\$ 213</b>	<b>\$ 60</b>

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

US\$ millions, unaudited	As at	
	March 31, 2023	December 31, 2022 <sup>(2)</sup>
Cash	\$ 472	\$ 586
Non-recourse borrowings in subsidiaries of Brookfield Business Partners	4,656	4,545
Proportionate borrowings, net of cash	\$ 4,184	\$ 3,959
Equity attributable to Unitholders	3,571	3,340

## Financial Results - Three Months Ended March 31, 2023

- Adjusted EBITDA for the three months ended March 31, 2023 was \$212 million compared to \$94 million in the prior period.
  - Our residential mortgage insurer generated \$47 million of Adjusted EBITDA in Q1 2023, compared to \$51 million in Q1 2022. Overall performance was in line with expectations given a more balanced Canadian housing market. While higher mortgage rates have led to reduced housing sales activity and lower new premiums written, overall mortgage delinquencies have remained low. The business is well positioned to manage an expected revision to long-term average levels of losses on claims over time. Prior period results have been adjusted in accordance with the new IFRS 17 accounting standard that was adopted on January 1, 2023.
  - Dealer software and technology services, which we acquired in July 2022, generated \$49 million of Adjusted EBITDA in Q1 2023. Continued resilient subscription-based revenue growth and improved operational efficiency contributed to strong performance during the quarter.
  - Fleet management and car rental services generated \$34 million of Adjusted EBITDA in Q1 2023, compared to \$9 million in Q1 2022. The increase reflects contribution from an expansion into rental car services.
  - Healthcare services generated \$14 million of Adjusted EBITDA in Q1 2023, compared to \$13 million in Q1 2022. Revenue in the business is improving slowly with higher admission rates, patient days and higher revenue per patient day which was partially offset by higher labor costs to address workforce shortages. Prior period results benefited from government viability funding which partially offset the impact of restrictions on elective surgeries.
- Adjusted EFO increased by \$153 million, primarily due to the factors noted above and included a \$67 million net gain recognized on the sale of our residential property management operation. The increase was partially offset by the impact of higher interest expense as a result of recent acquisitions.

1. Adjusted EBITDA margin in our Business Services segment excluding results from our road fuels operations was 17% and 9% in Q1 2023 and Q1 2022, respectively.  
 2. Comparative prior period results have been adjusted in accordance with the new IFRS 17 accounting standard adopted at our residential mortgage insurer on January 1, 2023.

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

US\$ millions, unaudited	Three Months Ended March 31,	
	2023	2022
Revenues	\$ 812	\$ 612
Direct operating costs	(586)	(401)
General and administrative expenses	(43)	(29)
Equity accounted Adjusted EBITDA	42	26
<b>Adjusted EBITDA</b>	<b>\$ 225</b>	<b>\$ 208</b>
Gain (loss) on acquisitions / dispositions, net	6	—
Other income (expense), net	—	(10)
Interest income (expense), net	(103)	(47)
Current income tax (expense) recovery	(24)	(4)
Equity accounted Adjusted EFO	(18)	(8)
<b>Adjusted EFO</b>	<b>\$ 86</b>	<b>\$ 139</b>

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

US\$ millions, unaudited	As at	
	March 31, 2023	December 31, 2022
Cash	\$ 312	\$ 270
Non-recourse borrowings in subsidiaries of Brookfield Business Partners	5,399	5,183
Proportionate borrowings, net of cash	\$ 5,087	\$ 4,913
Equity attributable to Unitholders	1,750	1,588

## Financial Results - Three Months Ended March 31, 2023

- Adjusted EBITDA for the three months ended March 31, 2023 was \$225 million compared to \$208 million in the prior period.
  - Offshore oil services generated \$56 million of Adjusted EBITDA in Q1 2023, compared to \$70 million in Q1 2022. Improved contribution from shuttle tanker operations was offset by reduced performance of FPSO operations which benefited in the prior period from profit-sharing agreements tied to the oil price and production volumes of customers.
  - Modular building leasing services generated \$37 million of Adjusted EBITDA in Q1 2023, compared to \$40 million in Q1 2022, primarily due to our lower ownership interest. Demand for higher margin products and services and resilient utilization rates in Asia were offset by U.K. market softness.
  - Our lottery services operations, which we acquired in April 2022, generated \$34 million of Adjusted EBITDA in Q1 2023. Continued growth of U.S. instant ticket lottery sales and two large jackpots supported performance during the quarter. The business is making progress on commercial strategy and supply chain optimization.
- Adjusted EFO decreased by \$53 million, primarily due to the impact of higher interest expense as a result of increased borrowings at nuclear technology services and higher interest rates in offshore oil services. The sale of non-core assets at nuclear technology services resulted in higher current tax expense during the quarter.

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

US\$ millions, unaudited	Three Months Ended March 31,	
	2023	2022
Revenues	\$ 1,153	\$ 1,107
Direct operating costs	(912)	(881)
General and administrative expenses	(37)	(32)
Equity accounted Adjusted EBITDA	15	23
<b>Adjusted EBITDA</b>	<b>\$ 219</b>	<b>\$ 217</b>
Gain (loss) on acquisitions / dispositions, net recorded in equity	64	—
Other income (expense), net	1	—
Interest income (expense), net	(97)	(68)
Current income tax (expense) recovery	(20)	(22)
Equity accounted Adjusted EFO	(5)	(5)
<b>Adjusted EFO</b>	<b>\$ 162</b>	<b>\$ 122</b>

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

US\$ millions, unaudited	As at	
	March 31, 2023	December 31, 2022
Cash	\$ 219	\$ 190
Non-recourse borrowings in subsidiaries of Brookfield Business Partners	4,468	4,509
Proportionate borrowings, net of cash	\$ 4,249	\$ 4,319
Equity attributable to Unitholders	2,292	2,352

## Financial Results - Three Months Ended March 31, 2023

- Adjusted EBITDA for the three months ended March 31, 2023 was \$219 million compared to \$217 million in the prior period.
  - Advanced energy storage operations generated \$129 million of Adjusted EBITDA in Q1 2023, compared to \$112 million in Q1 2022. Performance during the quarter benefited from increased battery demand and continued operational improvement. Overall battery volumes reflect strong growth of higher margin advanced batteries and a continued recovery of auto manufacturer production. Pricing and favorable mix offset the impact of inflation during the quarter.
  - Engineered components manufacturing generated \$44 million of Adjusted EBITDA in Q1 2023, compared to \$42 million in Q1 2022. Commercial and cost optimization initiatives contributed to improved margin performance despite reduced volumes. Results also benefited from contribution of recent add-on acquisitions.
- Adjusted EFO increased by \$40 million, primarily due to a \$64 million net gain recognized on the sale of public securities. The increase was partially offset by higher interest expense at our advanced energy storage operations primarily driven by the impact of higher interest rates.

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

US\$ millions, unaudited	Three Months Ended March 31,	
	2023	2022
Revenues	\$ —	\$ —
Direct operating costs	(8)	(6)
General and administrative expenses	(26)	(27)
Equity accounted Adjusted EBITDA	—	—
<b>Adjusted EBITDA</b>	<b>\$ (34)</b>	<b>\$ (33)</b>
Interest income (expense), net	(31)	(11)
Current income tax (expense) recovery	7	13
Preferred equity distribution	(22)	—
<b>Adjusted EFO</b>	<b>\$ (80)</b>	<b>\$ (31)</b>

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

US\$ millions, unaudited	As at	
	March 31, 2023	December 31, 2022
Cash	\$ 151	\$ 123
Corporate borrowings	2,030	2,100
Proportionate borrowings, net of cash	\$ 1,879	\$ 1,977
Equity attributable to Unitholders	(3,351)	(3,176)

## Financial Results - Three Months Ended March 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 \$23 million, in line with the prior period.
- Adjusted EFO in the current period included higher interest expense due to the impact of higher interest rates, combined with distributions on preferred equity securities.

# Summary of Segment & Significant Operations Performance

Brookfield

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

US\$ millions, unaudited		Three Months Ended March 31, 2023		Three Months Ended March 31, 2022	
Segment	Operations	Adjusted EBITDA	Adjusted EFO	Adjusted EBITDA	Adjusted EFO
Business Services	Sagen	\$ 47	\$ 43	\$ 51	\$ 47
	CDK Global	49	25	—	—
	Healthscope	14	6	13	4
	Unidas	34	18	9	7
	Other <sup>(1)(2)</sup>	68	121	21	2
	<b>Total</b>	<b>\$ 212</b>	<b>\$ 213</b>	<b>\$ 94</b>	<b>\$ 60</b>
Infrastructure Services	Scientific Games	34	9	—	—
	Modulaire	37	17	40	19
	Altera	56	31	70	52
	Westinghouse	75	27	81	58
	Other <sup>(1)</sup>	23	2	17	10
	<b>Total</b>	<b>\$ 225</b>	<b>\$ 86</b>	<b>\$ 208</b>	<b>\$ 139</b>
Industrials	Clarios	129	66	112	56
	DexKo	44	19	42	27
	Other <sup>(3)</sup>	46	77	63	39
	<b>Total</b>	<b>\$ 219</b>	<b>\$ 162</b>	<b>\$ 217</b>	<b>\$ 122</b>
Corporate and Other		\$ (34)	\$ (80)	\$ (33)	\$ (31)
<b>Total BBU</b>		<b>\$ 622</b>	<b>\$ 381</b>	<b>\$ 486</b>	<b>\$ 290</b>

1. Results from construction and work access services operations are now included in Other within Business Services and Infrastructure Services, respectively.
2. Adjusted EFO for the three months ended March 31, 2023 included \$67 million net gain recognized on the sale of our residential property management operation.
3. Adjusted EFO for the three months ended March 31, 2023 included \$64 million net gain recognized on the sale of public securities.

# Summary of Segment & Significant Operations Performance

Brookfield

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

US\$ millions, unaudited		Trailing Twelve Months Ended March 31, 2023		Trailing Twelve Months Ended March 31, 2022 <sup>(5)</sup>	
Segment	Operations	Adjusted EBITDA	Adjusted EFO	Adjusted EBITDA	Adjusted EFO
Business Services	Sagen	\$ 193	\$ 156	\$ 277	\$ 206
	CDK Global <sup>(1)</sup>	138	63	—	—
	Healthscope	65	33	64	29
	Unidas <sup>(1)</sup>	84	52	34	26
	Other <sup>(2)(3)</sup>	280	276	176	126
	<b>Total</b>	<b>\$ 760</b>	<b>\$ 580</b>	<b>\$ 551</b>	<b>\$ 387</b>
Infrastructure Services	Scientific Games <sup>(1)</sup>	132	42	—	—
	Modulaire	155	82	47	16
	Altera	194	134	246	182
	Westinghouse	308	163	309	224
	Other <sup>(2)</sup>	100	39	83	40
	<b>Total</b>	<b>\$ 889</b>	<b>\$ 460</b>	<b>\$ 685</b>	<b>\$ 462</b>
Industrials	Clarios	499	232	471	247
	DexKo	143	63	72	41
	Other <sup>(4)</sup>	239	218	215	292
	<b>Total</b>	<b>\$ 881</b>	<b>\$ 513</b>	<b>\$ 758</b>	<b>\$ 580</b>
Corporate and Other		\$ (139)	\$ (227)	\$ (134)	\$ (111)
<b>Total BBU</b>		<b>\$ 2,391</b>	<b>\$ 1,326</b>	<b>\$ 1,860</b>	<b>\$ 1,318</b>

1. Figures represent post-acquisition date results.

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

3. Adjusted EFO for the trailing twelve months ended March 31, 2023 included \$67 million net gain recognized on the sale of our residential property management operation.

4. Adjusted EFO for the trailing twelve months ended March 31, 2023 included \$93 million net gain recognized on the sale of public securities. Adjusted EFO for the trailing twelve months ended March 31, 2022 included \$148 million after-tax net gain on the sale of graphite electrode operations.

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

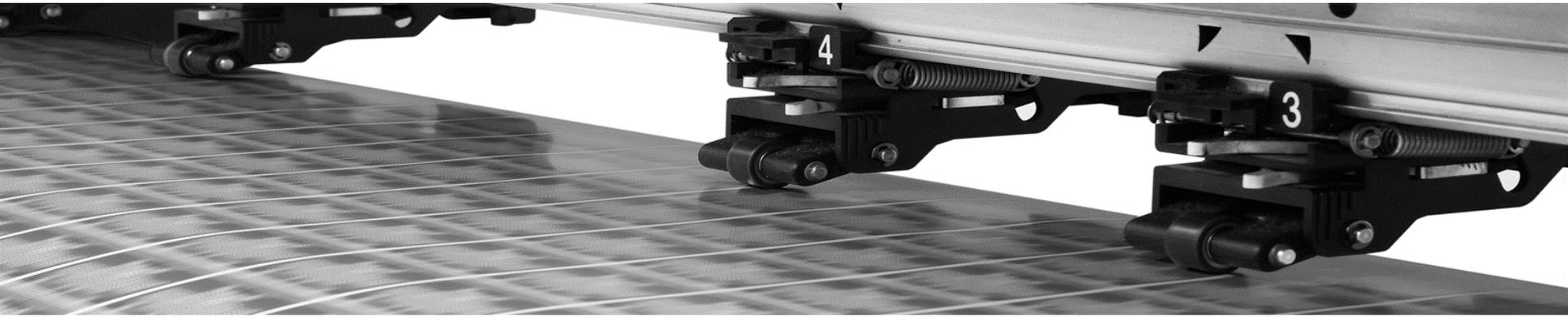
# Reconciliation from Adjusted EBITDA to Adjusted EFO

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

US\$ millions, unaudited	Three Months Ended March 31,	
	2023	2022
<b>Adjusted EBITDA</b>	\$ 622	\$ 486
Gain (loss) on acquisitions/dispositions, net of tax expense	60	—
Gain (loss) on acquisitions/dispositions, net recorded in equity	70	—
Other income (expense), net	1	(9)
Equity accounted Adjusted EFO	(26)	(15)
Interest income (expense), net		
Attributable to non-recourse borrowings at operating subsidiaries	(261)	(140)
Attributable to corporate borrowings	(31)	(11)
Current income tax (expense) recovery, net	(32)	(21)
Preferred equity distribution	(22)	—
<b>Adjusted EFO</b>	\$ 381	\$ 290

## Financial Performance - Three Months Ended March 31, 2023

- **Adjusted EBITDA** for the three months ended March 31, 2023 increased to \$622 million compared to \$486 million for the three months ended March 31, 2022, led by increased contribution from our Business Services and Infrastructure Services operating segments.
- **Adjusted EFO** for the three months ended March 31, 2023 increased to \$381 million compared to \$290 million for the three months ended March 31, 2022, primarily due to the net gains recognized on the sale of public securities and our residential property management operation, partially offset by higher interest and current tax expense.
  - **Interest expense, net attributable to non-recourse borrowings at operating subsidiaries** increased \$121 million compared to the prior period. \$66 million of the increase was due to higher borrowings associated with recent acquisitions, including add-on acquisitions completed within our operations. \$55 million of the increase was primarily due to the impact of higher interest rates.
  - **Interest expense, net attributable to corporate borrowings** increased \$20 million compared to the prior period, primarily due to the impact of higher interest rates.
  - **Preferred equity distribution** of \$22 million was attributable to the issuance of preferred equity securities to Brookfield Corporation.
  - **Gain on acquisitions/dispositions, net of tax expense** is primarily related to a gain recognized on the sale of our residential property management operation.
  - **Gain on acquisitions/dispositions, net recorded in equity** is related to net gains recognized on the sale of public securities.



## Proportionate Statements of Operating Results & Financial Position

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# Proportionate Statements of Operating Results

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

US\$ millions, unaudited	Three Months Ended March 31,	
	2023	2022
Revenues	\$ 4,175	\$ 3,993
Direct operating costs	(3,765)	(3,679)
General and administrative expenses	(151)	(118)
Interest income (expense), net	(292)	(151)
Equity accounted income (loss), net	8	26
Gain (loss) on acquisitions / dispositions, net	73	—
Other income (expense), net	68	(37)
Income (loss) before income tax	\$ 116	\$ 34
Income tax (expense) recovery		
Current	(45)	(21)
Deferred	25	3
	\$ 96	\$ 16
<b>Attributable to:</b>		
Limited partners	\$ 25	\$ 8
Redemption-exchange units	24	7
BBUC exchangeable shares	25	1
Preferred securities	22	—

## Financial Performance - Three Months Ended March 31, 2023

- **Revenues and direct operating costs** increased by \$182 million and \$86 million, respectively. The increase was primarily attributable to contributions from recent acquisitions, including add-on acquisitions completed within our operations, combined with higher volumes at our advanced energy storage operations. The increase was partially offset by unfavorable foreign exchange movements in road fuels operations.
- **Interest expense, net** increased by \$141 million primarily due to the impact of higher interest rates and higher borrowings. \$75 million of the increase was related to the impact of higher interest rates and \$66 million of the increase was related to increased borrowings associated with recent acquisitions, including add-on acquisitions completed within our operations.
- **Gain on acquisitions/dispositions, net** of \$73 million consists primarily of a gain recognized on the sale of our residential property management services operation.
- **Other income, net** of \$68 million primarily relates to net gains recognized on the extinguishment and modification of debt in offshore oil services following its emergence from a voluntary restructuring process completed on January 6, 2023.

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

# Proportionate Statements of Financial Position

Brookfield

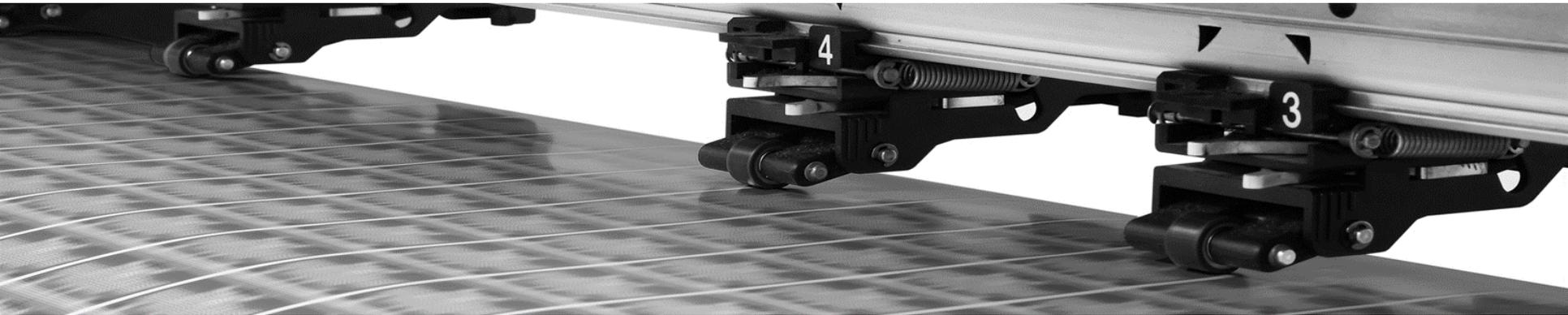
The following table presents our proportionate share <sup>(1)</sup> of the statements of financial position:

US\$ millions, unaudited	As at	
	March 31, 2023	December 31, 2022 <sup>(1)</sup>
<b>Assets</b>		
Cash and cash equivalents	\$ 1,154	\$ 1,169
Financial assets	4,605	4,631
Accounts and other receivable, net	3,331	3,015
Inventory and other assets	2,662	2,567
Property, plant and equipment	5,728	5,384
Deferred income tax assets	509	480
Intangible assets	6,995	7,093
Equity accounted investments	1,239	1,209
Goodwill	4,616	4,621
	<b>\$ 30,839</b>	<b>\$ 30,169</b>
<b>Liabilities</b>		
Corporate borrowings	\$ 2,030	\$ 2,100
Accounts payable and other	7,503	7,232
Non-recourse borrowings in subsidiaries of the Partnership	14,523	14,237
Deferred income tax liabilities	1,031	1,006
	<b>\$ 25,087</b>	<b>\$ 24,575</b>
Equity attributable to Unitholders	\$ 4,262	\$ 4,104
Preferred securities	1,490	1,490
	<b>\$ 5,752</b>	<b>\$ 5,594</b>

## Financial Position as at March 31, 2023

- **Cash and cash equivalents** included \$472 million in our Business Services segment, \$312 million in our Infrastructure Services segment, \$219 million in our Industrials segment and \$151 million of Corporate cash.
- **Accounts and other receivable, net** increased by \$316 million, primarily due to higher accounts receivables in construction operations and nuclear technology services, higher seasonal volumes at engineered components manufacturing and our increased ownership interest in offshore oil services.
- **Inventory and other assets** increased by \$95 million. Other assets increased primarily due to the reclassification of a non-core division to assets held for sale at dealer software and technology services, combined with increased activity in construction operations. The increase was partially offset by the sale of non-core assets in nuclear technology services which was previously included in assets held for sale.
- **Property, plant and equipment** increased by \$344 million primarily due to our increased ownership interest in offshore oil services, the recent add-on acquisition at modular building leasing services, combined with an increase in rental equipment at fleet management and car rental services. The increase was partially offset by regular depreciation of property, plant and equipment.
- **Intangible assets** decreased by \$98 million, primarily due to the reclassification of a non-core division to assets held for sale at dealer software and technology services.
- **Accounts payable and other** increased by \$271 million, primarily due to our increased ownership interest in offshore oil services, combined with higher accounts payable at advanced energy storage operations and engineered components manufacturing. The increase was partially offset by lower accrued liabilities at our residential mortgage insurer and lower accounts payables in solar power solutions.
- **Non-recourse borrowings in subsidiaries of Brookfield Business Partners** increased by \$286 million, primarily due to the funding related to the recent add-on acquisition at modular building leasing services, higher borrowings at fleet management and car rental services, nuclear technology services, and water and wastewater operations, combined with our increased ownership interest in offshore oil services.

1. Proportionate Statements are non-IFRS statements that represent the Partnership's share of operating performance and financial position. For further information on Proportionate Statements, see "Definitions" section at the end of this Supplemental Information.  
 2. Comparative prior period results have been adjusted in accordance with the new IFRS 17 accounting standard adopted at our residential mortgage insurer on January 1, 2023.



# Appendix

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# Acquisitions since Spin-Off

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

Segment	Operations	Acquisition Date	Invested Capital <sup>(1)</sup>	Economic Ownership Interest <sup>(2)</sup>
Business Services	Greenergy	May 2017	\$88 million	18%
	One Toronto Gaming	January 2018	\$6 million	14%
	Imagine	October 2018	\$85 million	36%
	Healthscope	June 2019	\$285 million	28%
	Unidas	July 2019	\$206 million	35%
	Sagen	December 2019	\$855 million	41%
	IndoStar	July 2020	\$105 million	20%
	Everise	January 2021	\$61 million	28%
	La Trobe	May 2022	\$208 million <sup>(3)</sup>	28% <sup>(3)</sup>
	CDK Global	July 2022	\$700 million <sup>(3)</sup>	20% <sup>(3)</sup>
	Magnati	August 2022	\$68 million	22%
	Nielsen	October 2022	\$400 million	7% <sup>(4)</sup>
Infrastructure Services	Altera	September 2017	\$787 million	53%
	Westinghouse	August 2018	\$405 million	44%
	BrandSafway	January 2020	\$445 million	17%
	Modulaire	December 2021	\$460 million <sup>(3)</sup>	28% <sup>(3)</sup>
	Scientific Games	April 2022	\$860 million <sup>(3)</sup>	36% <sup>(3)</sup>
Industrials	BRK Ambiental	April 2017	\$421 million	26%
	Schoeller	May 2018	\$45 million	14%
	Clarios	April 2019	\$820 million	28%
	Cardone	February 2020	\$372 million	75%
	Aldo	August 2021	\$104 million	35%
	DexKo	October 2021	\$491 million <sup>(3)</sup>	34% <sup>(3)</sup>
	Cupa	May 2022	\$100 million	23%

1. Figures presented are attributable to Unitholders.

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

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

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

# Summary of Proportionate Results by Quarter

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

US\$ millions, unaudited	2023		2022			
	Q1	Q4	Q3	Q2	Q1	
Revenues	\$ 4,175	\$ 4,441	\$ 4,393	\$ 4,294	\$ 3,993	
Direct operating costs	(3,765)	(3,997)	(4,011)	(3,977)	(3,679)	
General and administrative expenses	(151)	(146)	(143)	(125)	(118)	
Interest income (expense), net	(292)	(269)	(242)	(187)	(151)	
Equity accounted income (loss), net	8	14	17	26	26	
Impairment (expense) reversal, net	—	(3)	(4)	41	—	
Gain (loss) on acquisitions / dispositions, net	73	12	4	—	—	
Other income (expense), net	68	(66)	(71)	(78)	(37)	
Income (loss) before income tax	\$ 116	\$ (14)	\$ (57)	\$ (6)	\$ 34	
Income tax (expense) recovery						
Current	(45)	(56)	(39)	(22)	(21)	
Deferred	25	78	60	165	3	
	\$ 96	\$ 8	\$ (36)	\$ 137	\$ 16	
<b>Attributable to:</b>						
Limited partners	\$ 25	\$ (5)	\$ (14)	\$ 47	\$ 8	
Redemption-exchange units	24	(4)	(13)	44	7	
BBUC exchangeable shares	25	(5)	(14)	46	1	
Preferred securities	22	22	5	—	—	

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

# Segment Reconciliation - Three Months Ended March 31, 2023

Brookfield

## Proportionate Operating Results to Consolidated Operating Results

For the three months ended March 31, 2023 US\$ millions, unaudited	Attributable to Unitholders					Attributable to Others	As per IFRS Financials
	Business Services	Infrastructure Services	Industrials	Corporate and Other	Total		
Revenues	\$ 2,210	\$ 812	\$ 1,153	\$ —	\$ 4,175	\$ 9,583	\$ 13,758
Direct operating costs <sup>(1)</sup>	(1,967)	(586)	(912)	(8)	(3,473)	(8,093)	(11,566)
General and administrative expenses	(45)	(43)	(37)	(26)	(151)	(250)	(401)
Equity accounted Adjusted EBITDA <sup>(2)</sup>	14	42	15	—	71	45	116
<b>Adjusted EBITDA</b>	<b>\$ 212</b>	<b>\$ 225</b>	<b>\$ 219</b>	<b>\$ (34)</b>	<b>\$ 622</b>		
Gain (loss) on acquisitions / dispositions, net	67	6	—	—	73	8	81
Gain (loss) on acquisitions / dispositions, net recorded in equity <sup>(3)</sup>	6	—	64	—	70	124	194
Other income (expense), net <sup>(4)</sup>	—	—	1	—	1	2	3
Interest income (expense), net	(61)	(103)	(97)	(31)	(292)	(573)	(865)
Current income tax (expense) recovery	(8)	(24)	(20)	7	(45)	(81)	(126)
Preferred equity distribution	—	—	—	(22)	(22)	22	—
Equity accounted Adjusted EFO <sup>(2)</sup>	(3)	(18)	(5)	—	(26)	(9)	(35)
<b>Adjusted EFO</b>	<b>\$ 213</b>	<b>\$ 86</b>	<b>\$ 162</b>	<b>\$ (80)</b>	<b>\$ 381</b>		
Depreciation and amortization expense <sup>(1)</sup>					(292)	(608)	(900)
Gain (loss) on acquisitions / dispositions, net recorded in equity					(70)	(124)	(194)
Other income (expense), net <sup>(4)</sup>					67	59	126
Deferred income tax (expense) recovery					25	43	68
Non-cash items attributable to equity accounted investments <sup>(2)</sup>					(37)	(19)	(56)
<b>Net income (loss)</b>					<b>\$ 74</b>	<b>\$ 129</b>	<b>\$ 203</b>

1. The sum of these amounts equates to direct operating costs of \$12,466 million as per consolidated statements of operating results.

2. The sum of these amounts equates to equity accounted income (loss), net of \$25 million as per consolidated statements of operating results.

3. Gain (loss) on acquisitions/dispositions, net recorded in equity in Adjusted EFO of \$70 million represents the partnership's economic ownership interest in gains related to the dispositions of investments in public securities.

4. The sum of these amounts equates to other income (expense), net of \$129 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 \$67 million includes \$104 million of net gains on debt modification and extinguishment, \$15 million of business separation expenses, stand-up costs and restructuring charges, \$12 million of other expenses and \$10 million of transaction costs.

# Segment Reconciliation - Three Months Ended March 31, 2022

Brookfield

## Proportionate Operating Results to Consolidated Operating Results

For the three months ended March 31, 2022 US\$ millions, unaudited	Attributable to Unitholders					Attributable to Others	As per IFRS Financials
	Business Services	Infrastructure Services	Industrials	Corporate and Other	Total		
Revenues	\$ 2,274	\$ 612	\$ 1,107	\$ —	\$ 3,993	\$ 9,434	\$ 13,427
Direct operating costs <sup>(1)</sup>	(2,159)	(401)	(881)	(6)	(3,447)	(8,450)	(11,897)
General and administrative expenses	(30)	(29)	(32)	(27)	(118)	(180)	(298)
Equity accounted Adjusted EBITDA <sup>(2)</sup>	9	26	23	—	58	36	94
<b>Adjusted EBITDA</b>	<b>\$ 94</b>	<b>\$ 208</b>	<b>\$ 217</b>	<b>\$ (33)</b>	<b>\$ 486</b>		
Other income (expense), net <sup>(3)</sup>	1	(10)	—	—	(9)	(15)	(24)
Interest income (expense), net	(25)	(47)	(68)	(11)	(151)	(309)	(460)
Current income tax (expense) recovery	(8)	(4)	(22)	13	(21)	(58)	(79)
Equity accounted Adjusted EFO <sup>(2)</sup>	(2)	(8)	(5)	—	(15)	(9)	(24)
<b>Adjusted EFO</b>	<b>\$ 60</b>	<b>\$ 139</b>	<b>\$ 122</b>	<b>\$ (31)</b>	<b>\$ 290</b>		
Depreciation and amortization expense <sup>(1)</sup>					(232)	(462)	(694)
Other income (expense), net <sup>(3)</sup>					(28)	(47)	(75)
Deferred income tax (expense) recovery					3	37	40
Non-cash items attributable to equity accounted investments <sup>(2)</sup>					(17)	(3)	(20)
<b>Net income (loss)</b>					<b>\$ 16</b>	<b>\$ (26)</b>	<b>\$ (10)</b>

1. The sum of these amounts equates to direct operating costs of \$12,591 million as per consolidated statements of operating results.

2. The sum of these amounts equates to equity accounted income (loss), net of \$50 million as per consolidated statements of operating results.

3. The sum of these amounts equates to other income (expense), net of \$(99) million as per consolidated statements of operating results. Other income (expense), net in Adjusted EFO of \$(9) million includes \$6 million of realized net revaluation losses and \$3 million of other expenses. Other income (expense), net at the partnership's economic ownership interest that is excluded from Adjusted EFO of \$(28) million includes \$11 million of business separation expenses, stand-up costs and restructuring charges, \$8 million of transaction costs, \$6 million of other expenses and \$3 million of net unrealized revaluation losses.

## Proportionate Financial Position to Consolidated Financial Position

US\$ millions, unaudited	As at					
	March 31, 2023			December 31, 2022 <sup>(1)</sup>		
	Attributable to Unitholders	Attributable to Others	As per IFRS Financials	Attributable to Unitholders	Attributable to Others	As per IFRS Financials
<b>Assets</b>						
Cash and cash equivalents	\$ 1,154	\$ 1,891	\$ 3,045	\$ 1,169	\$ 1,701	\$ 2,870
Financial assets	4,605	8,282	12,887	4,631	8,277	12,908
Accounts and other receivable, net	3,331	4,319	7,650	3,015	4,263	7,278
Inventory and other assets	2,662	5,303	7,965	2,567	4,992	7,559
Property, plant and equipment	5,728	10,490	16,218	5,384	10,509	15,893
Deferred income tax assets	509	796	1,305	480	765	1,245
Intangible assets	6,995	16,623	23,618	7,093	16,860	23,953
Equity accounted investments	1,239	844	2,083	1,209	856	2,065
Goodwill	4,616	10,858	15,474	4,621	10,858	15,479
	<b>\$ 30,839</b>	<b>\$ 59,406</b>	<b>\$ 90,245</b>	<b>\$ 30,169</b>	<b>\$ 59,081</b>	<b>\$ 89,250</b>
<b>Liabilities</b>						
Corporate borrowings	\$ 2,030	\$ —	\$ 2,030	\$ 2,100	\$ —	\$ 2,100
Accounts payable and other	7,503	13,054	20,557	7,232	13,198	20,430
Non-recourse borrowings in subsidiaries of Brookfield Business Partners	14,523	30,549	45,072	14,237	30,356	44,593
Deferred income tax liabilities	1,031	2,738	3,769	1,006	2,692	3,698
	<b>\$ 25,087</b>	<b>\$ 46,341</b>	<b>\$ 71,428</b>	<b>\$ 24,575</b>	<b>\$ 46,246</b>	<b>\$ 70,821</b>

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

# Reconciliation of Non-IFRS Measures to IFRS Measures

Brookfield

## Total Equity Reconciliation to Equity Attributable to Unitholders

US\$ millions, unaudited	As at	
	Mar 31, 2023	Dec 31, 2022
Total equity	\$ 18,817	\$ 18,429
Less: Preferred securities	1,490	1,490
Less: Interest of others in operating subsidiaries	13,065	12,835
<b>Equity attributable to Unitholders</b>	<b>\$ 4,262</b>	<b>\$ 4,104</b>

## Proportionate Net Borrowings Reconciliation to Consolidated Net Borrowings

US\$ millions, unaudited	Attributable to Unitholders					Total	Attributable to Others	As per IFRS Financials
	Business Services	Infrastructure Services	Industrials	Corporate and Other				
<b>Cash</b>								
March 31, 2023	\$ 472	\$ 312	\$ 219	\$ 151	\$ 1,154	\$ 1,891	\$ 3,045	
December 31, 2022	586	270	190	123	1,169	1,701	2,870	
<b>Borrowings</b>								
March 31, 2023	\$ 4,656	\$ 5,399	\$ 4,468	\$ 2,030	\$ 16,553	\$ 30,549	\$ 47,102	
December 31, 2022	4,545	5,183	4,509	2,100	16,337	30,356	46,693	
<b>Borrowings, net of cash</b>								
March 31, 2023	\$ 4,184	\$ 5,087	\$ 4,249	\$ 1,879	\$ 15,399	\$ 28,658	\$ 44,057	
December 31, 2022	3,959	4,913	4,319	1,977	15,168	28,655	43,823	

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