
ANNUAL GENERAL MEETING

May 2016



PARTNERS VALUE
INVESTMENTS INC.

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2015 Review

- Book value increased 13% to \$42.52 per share
- Extended committed bank lines of credit
- Added prime brokerage and other short-term trading facilities
- Refinanced maturing Partners Split preferred
- Strengthened investment team
- Improved record-keeping and risk management

Q1 2016

- Book value per share up 4.3% to \$44.34
- Net income of \$29 million, more than double from \$12 million last year
- Net income per share of \$0.39, up from \$0.17 last year
- Primarily due to increased investment income and foreign exchange gains

Global Resource Champions

- \$100 million portfolio of leading resource companies
 - Large market capitalizations
 - Industry leaders
 - High dividend yields
- Invested \$55 million in capital shares
- Portfolio leveraged with \$45 million of preferred shares
 - 7 year term
 - 6.25% dividend rate
 - Split-share corporation

Split-share companies

- Global Champions launched in 2013
- \$100 million diversified portfolio of leading consumer and energy stocks
 - Large market capitalizations
 - Industry leaders
 - High dividend yields
- Invested \$50 million in capital shares
 - FMV today is \$90 million, for an annualized return of 18%
- Portfolio leveraged with \$50 million in preferred shares

Brookfield Asset Management

- Q1 net income of \$636 million or \$0.23 per share (down from \$1,438 million or \$0.73 per share last year)
- FFO increased by 26% to \$703 million
- \$25 billion of new funds raised
- AUM increased to \$240 billion and FBC to \$114 billion
- Brookfield Business Partners to be spun-out as a dividend in June

Market Outlook

- High yield market offers reasonable spreads
- Value-type opportunities in North America
- Cautious on commodities in near term
- No immediate risk of U.S. recession