PARTNERS VALUE INVESTMENTS INC.

INTERIM REPORT TO SHAREHOLDERS

2015 Q3 | FOR THE PERIOD ENDED SEPTEMBER 30, 2015

Partners Value Investments Inc. (the "Company"), formerly Partners Value Fund Inc., recorded a decrease in net book value during the third quarter of $162 million, or $2.20 per share, to $40.59 per share at September 30, 2015, primarily due to a decline in the quoted market prices of the Company's long-term investment portfolio. These unrealized declines in market value more than offset the 40% increase in investment income earned during the quarter.

OUTLOOK

The Company's principal investment consists of 86 million Class A Limited Voting Shares ("Brookfield shares") of Brookfield Asset Management Inc. ("Brookfield") which, at September 30, 2015, had a market value of $3,604 million based on quoted market values. The Company also holds a diversified portfolio of securities with an aggregate market value of $537 million at quarter end. The Company's capitalization consists primarily of $617 million of retractable preferred shares and common equity with a book value of $2,985 million as at September 30, 2015. Subsequent to the end of the quarter, the Company's subsidiary, Partners Value Split, issued $100 million of Class AA Preferred Shares Series 7.

The Company's objective is to provide its common shareholders with capital appreciation as opposed to income returns. Operating cash flows are principally dedicated to paying dividends on its preferred share financing obligations. The Company holds 11.7 Brookfield shares for every 10 of its common shares as at September 30, 2015.

On behalf of the Board,

George E. Myhal
President and Chief Executive Officer
November 30, 2015

STATEMENT OF FINANCIAL POSITION

The information in the following table has been extracted from the consolidated financial statements of the Company:

As at *(Thousands, except per share amounts)*		**September 30, 2015**		December 31, 2014
Assets				
Cash and cash equivalents	**$**	**30,085**	$	19,350
Investments				
Brookfield Asset Management Inc.[1]		**3,604,381**		3,273,491
Other securities		**536,639**		438,524
Accounts receivable and other		**3,140**		39,183
	$	**4,174,245**	$	3,770,548
Liabilities and Shareholders' Equity				
Accounts payable and other	**$**	**174,070**	$	24,845
Preferred shares[2]		**608,893**		607,777
Deferred taxes[3]		**406,338**		378,859
		1,189,301		1,011,481
Shareholders' Equity				
Common equity		**2,984,944**		2,759,067
	$	**4,174,245**	$	3,770,548
Net Book Value Per Common Share[4,5]	**$**	**40.59**	$	37.51

1 The investment in Brookfield Asset Management Inc. consists of 86 million Brookfield shares with a quoted market value of $41.99 per share as at September 30, 2015 (December 31, 2014 – $58.22 or $38.81 split-adjusted).
2 Represents $617 million of retractable preferred shares less $8 million of unamortized issue costs (December 31, 2014 – $617 million less $9 million).
3 The deferred tax liability represents the potential future income tax liability of the Company recorded for accounting purposes based on the difference between the carrying values of the Company's assets and liabilities and their respective tax values, as well as giving effect to estimated capital and non-capital losses.
4 As at September 30, 2015, there were 73,546,899 (December 31, 2014 – 73,546,899) voting and non-voting common shares of the Company issued and outstanding on a fully diluted basis.
5 Net book value per common share is a non-IFRS measure.

CHANGE IN NET BOOK VALUE

For the periods ended September 30 *(Thousands, except per share amounts)*	Three months ended				Nine months ended			
		Total		Per Share		Total		Per Share
Net book value, beginning of period[1]	$	3,147,307	$	42.79	$	2,759,067	$	37.51
Net (loss) income[2]		(34,939)		(0.47)		(20,837)		(0.28)
Other comprehensive (loss) income[2]		(127,424)		(1.73)		246,714		3.36
Net book value, end of period[1,3]	$	2,984,944	$	40.59	$	2,984,944	$	40.59

1 Net book value per common share is non-IFRS measure.
2 The weighted average number of common shares outstanding during the nine months ended September 30, 2015 was 73,546,899 (2014 – 74,206,510).
3 As at September 30, 2015, there were 73,546,899 (December 31, 2014 – 73,546,899) voting and non-voting common shares of the Company issued and outstanding on a fully diluted basis.

MANAGEMENT'S DISCUSSION AND ANALYSIS

OVERVIEW

Partners Value Investments Inc. (the "Company"), formerly Partners Value Fund Inc., is an investment company whose principal investment is an ownership interest in 86 million Class A Limited Voting Shares ("Brookfield shares") of Brookfield Asset Management Inc. ("Brookfield").

The Company's objective is to provide its common shareholders with capital appreciation as opposed to income returns. Investment income, which includes dividends from its investment in Brookfield shares as well as its other securities portfolio, is principally dedicated to paying dividends on its financing obligations.

The Company's investment in Brookfield is owned directly and indirectly through Partners Value Split Corp. ("Partners Value Split"), a public subsidiary in which the Company owns 100% of the common equity. Partners Value Split has publicly listed retractable preferred shares of which $567 million were outstanding at September 30, 2015.

The Company also holds a portfolio of other securities including: a 90% interest in the Brookfield New Horizons Income Fund ("New Horizons"), a publicly listed fund which invests in high-yielding debt and equity securities; a 100% interest in Global Champions Split Corp. ("Global Champions"), which owns a diversified portfolio of large capitalization companies; investments in limited partnership units of Brookfield Infrastructure Partners and Brookfield Property Partners; and other securities. Global Champions has publicly listed retractable preferred shares of which $50 million were outstanding at September 30, 2015.

Additional information on the Company and its public subsidiaries, including the Company's Annual Information Form, is available on SEDAR's web site at *www.sedar.com*.

RESULTS OF OPERATIONS

The Company incurred net losses of $35 million ($0.47 per common share) for the three months ended September 30, 2015 compared to a net income of $1 million ($0.01 per common share) in the prior year quarter. The decrease in net income was primarily due to a decline in the quoted market prices of the Company's investments whereas there were increases in quoted market prices in the prior year quarter. These unrealized declines in market value more than offset the 40% increase in investment income during the quarter.

During the third quarter, the Company's net book value decreased by $2.20 per share to $40.59 per share due to the unrealized declines in the market value of the Company's long-term investment portfolio.

The following table presents the details of the Company's net income for the three and nine months ended September 30:

For the period ended September 30 (Thousands)	Three months ended		Nine months ended	
	2015	2014	**2015**	2014
Investment Income:				
Dividends	**$ 18,083**	$ 12,774	**$ 50,523**	$ 41,362
Other investment income	**298**	382	**605**	501
	18,381	13,156	**51,128**	41,863
Less:				
Operating expenses	**(859)**	(211)	**(2,403)**	(863)
Financing costs	**(447)**	(16)	**(693)**	(40)
Retractable preferred share dividends	**(6,973)**	(7,102)	**(20,926)**	(21,092)
	10,102	5,827	**27,106**	19,868
Other items:				
Investment valuation (losses) gains	**(41,291)**	(2,750)	**(44,838)**	3,754
Equity accounted (loss) income	**—**	(2,707)	**—**	12,060
Amortization of deferred financing costs	**(458)**	(446)	**(1,372)**	(1,333)
Change in value of fund unit liability	**2,838**	—	**2,979**	—
Income taxes	**6,606**	819	**5,619**	(2,005)
Foreign currency (losses) gains	**(12,736)**	479	**(10,331)**	1,808
Net (loss) income	**$ (34,939)**	$ 1,222	**$ (20,837)**	$ 34,152

Investment Income

Investment income for the periods ended September 30, consists of the following:

For the periods ended September 30 (Thousands)	Three months ended				Nine months ended			
		2015		2014		**2015**		2014
Dividends:								
Brookfield Asset Management Inc.	**$**	**13,623**	$	9,828	**$**	**38,418**	$	32,085
Other securities		**4,460**		2,946		**12,105**		9,277
Other investment income		**298**		382		**605**		501
	$	**18,381**	$	13,156	**$**	**51,128**	$	41,863

The Company received dividend income of $14 million (2014 – $10 million) from its investment in Brookfield and $4 million (2014 – $3 million) from its other securities investments during the three months ended September 30, 2015. Brookfield had increased its dividend and paid a US$0.12 per share (2014 – US$0.107 per share, which reflects the split-adjusted comparative) dividend during the quarter. Other investment income includes interest income earned on our fixed-income securities.

Preferred Share Dividends

The Company paid $7 million (2014 – $7 million) of dividends on the retractable preferred shares during the three months ended September 30, 2015.

Operating Expenses

The Company recorded $0.8 million (2014 – $0.2 million) of operating expenses during the three months ended September 30, 2015. The increase in operating expenses was due to consolidating our investment in New Horizons in the current quarter whereas we had equity accounted for New Horizons in the prior quarter. We also incurred additional expenses related to the hiring of additional investment analysts and their related expenses.

Investment Valuation Gains (Losses)

Investment valuation gains (losses) includes unrealized gains and losses on the Company's investments classified as fair value through profit and loss, namely the New Horizons and Global Champions portfolios along with certain non-foreign currency derivatives. It also includes realized gains and losses on the disposition of the Company's investments. This balance will fluctuate depending on the Company's investment activity and performance. The valuation losses incurred on a three and nine months basis were due to unrealized declines in market value on the Company's investments.

Equity Accounted Income

The Company recorded $3 million of equity accounted loss during the prior year quarter. This consisted of $1 million of distributions received offset by $4 million in unrealized losses on the mark-to-market of the New Horizons investment portfolio. The Company consolidates New Horizons in the current year quarter.

Amortization of Deferred Financing Costs

The amortization of deferred financing costs associated with preferred shares issued by the Company's subsidiaries resulted in a charge against income of $0.5 million (2014 – $0.4 million) during the three months ended September 30, 2015.

Income Taxes

The Company recorded an income tax recovery of $7 million (2014 – $1.5 million expense) during the three months ended September 30, 2015. The recovery in the current quarter is a product of higher deferred tax recoveries as a result of the valuation losses incurred during the quarter.

Foreign Currency Gains

Foreign currency gains represents gains and losses arising from the translation of non-Canadian dollar transactions. These amounts are partially offset by the realized and unrealized changes in the value of the Company's foreign currency derivatives.

FINANCIAL POSITION

The Company's total assets were $4,174 million at September 30, 2015 (December 31, 2014 – $3,771 million) and consist primarily of its $3,604 investment in 86 million Brookfield shares (December 31, 2014 – $3,273 million). The market price of a Brookfield share increased from $38.81 (split adjusted) per share at December 31, 2014 to $41.99 at September 30, 2015.

Investment Portfolio

As at *(Thousands)*	Number of Shares		Fair Value	
	Sept. 30, 2015	Dec. 31, 2014	**Sept. 30, 2015**	Dec. 31, 2014
Brookfield Asset Management Inc.[1]	**85,839**	56,226	**$ 3,604,381**	$ 3,273,491
Other securities:				
Brookfield Infrastructure Partners L.P.	**2,219**	2,219	**109,091**	107,937
Brookfield Property Partners L.P.	**3,613**	3,613	**103,597**	95,576
Brookfield New Horizons Income Fund portfolio	**various**	various	**112,760**	115,031
Global Champions portfolio	**various**	various	**136,019**	119,980
Other publicly-traded securities	**various**	various	**75,172**	—
			$ 536,639	$ 438,524

1 *During the nine months ended September 30, 2015, the Company purchased an additional 1 million Brookfield shares. Subsequent to the purchase, there was a three for two stock split of the Brookfield shares.*

Brookfield Asset Management Inc.
Brookfield is a global alternative asset manager focused on real estate, infrastructure, power and private equity with over $200 billion of assets under management and is inter-listed on the New York, Toronto and NYSE Euronext stock exchanges. Further information on Brookfield can be found on Brookfield's web site at *www.brookfield.com*.

Other Securities
The Company holds an investment in Brookfield Infrastructure Partners consisting of 2.2 million (December 31, 2014 – 2.2 million) limited partnership units with a fair value of $109 million at September 30, 2015 (December 31, 2014 – $108 million). Brookfield Infrastructure Partners owns and operates utility, transport, energy and communication businesses in North and South America, Australasia, and Europe and is inter-listed on the New York and Toronto stock exchanges. Further information on Brookfield Infrastructure Partners can be found on their web site at *www.brookfieldinfrastructure.com*.

The Company holds an investment in Brookfield Property Partners consisting of 3.6 million (December 31, 2014 – 3.6 million) limited partnership units with a fair value of $104 million at September 30, 2015 (December 31, 2014 – $96 million). Brookfield Property Partners is a global commercial property company that owns, operates and invests in best-in-class office, retail, multifamily and industrial assets and is inter-listed on the New York and Toronto stock exchanges. Further information on Brookfield Property Partners can be found on their web site at *www.brookfieldpropertypartners.com*.

New Horizons, a public subsidiary which invests in high yield securities and in which the Company owns 90% of the common equity, has a portfolio of higher-yielding debt and equity securities with a fair value of $113 million at September 30, 2015 (December 31, 2014 – $115 million).

Global Champions, a public subsidiary which invests in a diversified portfolio of large capitalization companies and in which the Company owns 100% of the common equity, has a portfolio of securities with a fair value of $136 million as at September 30, 2015 (December 31, 2014 – $120 million).

The Company has a portfolio of other publicly traded securities with a fair value of $75 million at September 30, 2015 (December 31, 2014 - $nil).

Deferred Taxes

The deferred tax liability represents the potential tax liability arising from the excess of the carrying value of net assets over the respective tax values, less available loss carry forwards. The potential tax liability increased during the nine months ended September 30, 2015, principally due to the increase in the market value of the Brookfield shares.

Shareholders' Equity

As at September 30, 2015, shareholders' equity consisted of 73,546,899 (December 31, 2014 – 73,546,899) voting and non-voting common shares and had a book value of $2,985 million compared to $2,759 million at December 31, 2014. The increase is primarily the result of a higher market value of the Brookfield shares, whose share price increased from $38.81 (split-adjusted) at December 31, 2014 to $41.99 at September 30, 2015.

Preferred Shares

Retractable preferred shares issued by Partners Value Split and Global Champions are comprised of the following:

As at (Thousands)			Issued and Outstanding Sep. 30, 2015	Issued and Outstanding Dec. 31, 2014	Book Value Sep. 30, 2015	Book Value Dec. 31, 2014
Partners Value Split						
2,055,420	4.95% Class AA, Series 1	March 25, 2016	**$ 2,055**	$ 2,055	**$ 51,386**	$ 51,386
7,631,000	4.35% Class AA, Series 3	January 10, 2019	**7,637**	7,637	**190,777**	190,777
4,999,000	4.85% Class AA, Series 5	December 10, 2017	**4,999**	4,999	**124,975**	124,975
8,000,000	4.50% Class AA, Series 6	October 8, 2021	**7,990**	8,000	**199,750**	200,000
Global Champions						
2,000,000	4.00% Class A, Series 1	July 31, 2019	**2,000**	2,000	**50,000**	50,000
					616,888	617,138
Deferred financing costs[1]					**(7,995)**	(9,361)
					$ 608,893	$ 607,777

1 *Deferred financing costs are amortized over the term of the borrowing using the effective interest method.*

LIQUIDITY AND CAPITAL RESOURCES

The Company holds cash and cash equivalents totalling $30 million and investments of $4,141 million as at September 30, 2015 (December 31, 2014 – $19 million and $3,712 million). The company has operating cash requirements of $27 million in scheduled dividend payments on its $617 million preferred shares issued by Partners Value Split and Global Champions which are less than the expected regular distributions expected to be received on the Brookfield and other securities held by the Company. The Company believes it has sufficient liquid assets, operating cash flow and financing alternatives to meet its obligations.

BUSINESS ENVIRONMENT AND RISKS

The Company's activities expose it to a variety of financial risks, including market risk (i.e. currency risk, interest rate risk, and other price risk), credit risk and liquidity risk. The following are risk factors relating to an investment in the common shares of the Company.

Fluctuations in Value of Investments

The value of common shares may vary according to the value of the Brookfield shares and other securities owned by the Company. The value of these investments may be influenced by factors not within the control of the Company, including the financial performance of Brookfield and other investees, interest rates and other financial market conditions. As a result, the net asset value of the Company may vary from time to time.

The future value of the common shares will be largely dependent on the value of the Brookfield shares. A material adverse change in the business, financial conditions or results of operations of Brookfield and other investees of the Company will have a material adverse effect on the common shares of the Company. In addition, the Company may incur additional financial leverage in order to acquire, directly or indirectly, additional securities issued by Brookfield, which would increase both the financial leverage of the Company and the dependency of the future value of the common shares on the value of the Brookfield shares.

Foreign Currency Exposure

The Company's investment in Brookfield and certain of its other investments are functionally United States dollar investments. Accordingly, the value of the these assets may vary from time to time with fluctuations in the exchange rate between Canadian and United States dollars. In addition, these investments pay distributions and interest in United States dollars. Strengthening of the Canadian dollar relative to the United States dollar could decrease the amount of cash available to the Company.

Leverage

The Company's assets are financed in part with the retractable preferred shares issued by Partners Value Split and Global Champions. This results in financial leverage that will increase the sensitivity of the value of the common shares to changes in the values of the assets owned by the Company. A decrease in the value of the Company's investments may have a material adverse effect on the Company's business and financial conditions.

Liquidity

The Company's liquidity requirements are typically limited to funding interest and dividend obligations on outstanding financial obligations.

Holders of the Company's retractable preferred shares issued by the Company's subsidiaries have the ability to retract their shares. The Class AA, Series I Preferred shares issued by Partners Value Split are retractable for cash, whereas debentures, as opposed to cash, can be issued to settle retractions of the Class AA, Series III; Class AA, Series V; and Class AA, Series VI; preferred shares, respectively.

The Company maintains financial assets and credit facilities to fund liquidity requirements in the normal course, in addition to its investment in Brookfield shares. The Company's policy is to hold the Brookfield shares and not engage in trading, however shares are available to be sold to fund retractions and redemptions of preferred shares or common shares. The Company's ability to sell a substantial portion of the Brookfield shares may be limited by resale restrictions under applicable securities laws that will affect when or to whom the Brookfield shares may be sold. Accordingly, if and when the Company is required to sell Brookfield shares, the liquidity of such shares may be limited. This could affect the time it takes to sell the Brookfield shares and the price obtained by the Company for the Brookfield shares sold.

No Ownership Interest

A direct investment in common shares does not constitute a direct investment in the Brookfield shares of Brookfield or other securities held by the Company, and holders of common shares do not have any voting rights in respect of such securities.

Contractual Obligations

The Company's contractual obligations as of September 30, 2015 are as follows:

	Payment Due By Period				
(Thousands)	Total	Less than 1 year	2-3 years	4-5 years	After 5 years
Retractable preferred shares:					
Partners Value Split:					
Class AA, Series 1[1]	$ 51,386	$ 51,386	$ —	$ —	$ —
Class AA, Series 3[2]	190,777	—	—	190,777	—
Class AA, Series 5[3]	124,975	—	124,975	—	—
Class AA, Series 6[4]	199,750	—	—	—	199,750
Global Champions:					
Class A, Series 1[5]	50,000	—	—	50,000	—
Interest expense related to:					
Partners Value Split:					
Class AA, Series 1[1]	$ 1,452	$ 1,452	$ —	$ —	$ —
Class AA, Series 3[2]	27,903	8,299	16,598	3,006	—
Class AA, Series 5[3]	13,804	6,061	7,743	—	—
Class AA, Series 6[4]	57,117	8,989	17,978	17,978	12,172
Global Champions:					
Class A, Series 1[5]	7,670	2,000	4,000	1,670	—

1 Payment period based on mandatory redemption date. In the case of earlier retractions, consideration to be paid in cash.
2 Payment period based on mandatory redemption date. In the case of earlier retractions, consideration to be paid in the form of debentures of the Company due 2019.
3 Payment period based on mandatory redemption date. In the case of earlier retractions, consideration to be paid in the form of debentures of the Company due 2017.
4 Payment period based on mandatory redemption date. In the case of earlier retractions, consideration to be paid in the form of debentures of the Company due 2019.
5 Payment period based on mandatory redemption date. In the case of earlier retractions, consideration to be paid in the form of debentures of the Company due 2021.

SUMMARY OF FINANCIAL INFORMATION

The following table summarizes selected consolidated financial information of the Company:

As at and for the (Thousands, except per share amounts)	**Nine months ended September 30**		Years Ended December 31		
	2015	2014	2014	2013	2012
Net (loss) income	**$ (20,837)**	$ 34,152	$ 26,598	$ 32,554	$ 19,120
Net (loss) income per common share	**(0.28)**	0.46	0.36	0.44	0.26
Total assets	**4,174,245**	3,307,084	3,770,548	2,672,262	2,220,560
Total long-term liabilities	**1,015,231**	926,604	1,001,604	785,511	685,537

A summary of the eight recently completed quarters is as follows:

	2015			2014				2013
(Thousands, except per share amounts)	**Q3**	**Q2**	**Q1**	Q4	Q3	Q2	Q1	Q4
Net (loss) income	**$ (34,939)**	**$ 1,957**	**$ 12,145**	$ (7,554)	$ 1,222	$ 18,219	$ 14,711	$ 15,480
Net (loss) income per common share	**(0.47)**	**0.02**	**0.17**	(0.10)	0.10	0.25	0.20	0.21

Net income includes dividends and interest on the Company's investment portfolio, in addition to valuation gains and losses relating to the Global Champions and the New Horizons portfolio, and fluctuates accordingly with changes in the U.S. dollar relative to the Canadian dollar on dividends earned on U.S. dollar and other foreign currencies investments in addition to changes in equity markets. Also included in net income are gains and losses on the disposition of investments. The variance in net income on the last eight quarters is primarily the result of valuation gains and losses on certain of the Company's investments and increases in the dividend income earned from its investments.

RELATED-PARTY TRANSACTIONS

Brookfield provides management and financial services to the Company and recovered costs of $11,250 for the nine months ended September 30, 2015 (2014 – $30,000) plus applicable sales tax in respect of those services.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates are required in the determination of future cash flows and probabilities in assessing net recoverable amounts and net realizable values; tax and other provisions; and fair values for disclosure purposes. In the normal course of operations, the Company may execute agreements that provide for indemnification and guarantees to third parties in transactions such as business dispositions, business acquisitions and the sale of assets. The nature of substantially all of the indemnification undertakings precludes the possibility of making a reasonable estimate of the maximum potential amount that the Company could be required to pay to third parties as the agreements often do not specify a maximum amount and the amounts are dependent upon the outcome of future contingent events, the nature and likelihood of which cannot be determined at this time. Historically, the Company has not made any payments under such indemnification agreements and guarantees.

DISCLOSURE CONTROLS AND PROCEDURES

We maintain appropriate information systems, procedures and controls to ensure that new information disclosed externally is complete, reliable and timely. The President and the Vice President, Finance of the Company evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in "National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings") as at September 30, 2015, and have concluded that the disclosure controls and procedures are operating effectively.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

We maintain appropriate internal controls over financial reporting (as defined in "National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings") and the Chief Executive Officer and the Chief Financial Officer have concluded that the internal controls have been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Management has evaluated whether there were changes in our internal controls over financial reporting during the period ended September 30, 2015, that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting and has determined that there have been no such changes.

REVIEW OF INTERIM FINANCIAL STATEMENTS

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not reviewed these financial statements.

RE-BRANDING

The Company changed its name from Partners Value Fund Inc. to Partners Value Investments Inc. in order to reflect a broader investment mandate. The change was recommended by the Board of Directors and was approved by the shareholders of the Company at the annual general meeting held on May 21, 2015. The change became effective following the successful vote at the annual general meeting.

George E. Myhal
President and Chief Executive Officer
November 30, 2015

FORWARD-LOOKING INFORMATION

This interim report contains "forward-looking information" and "forward-looking statements" within the meaning of Canadian provincial securities laws and any applicable Canadian securities regulations. 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 Company and its subsidiaries, as well as 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" 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, the reader 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 Company to differ materially from anticipated future results, performance or achievement 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 and information include, but are not limited to: the financial performance of Brookfield Asset Management Inc. and its affiliated entities, general economic conditions; the behavior of financial markets, including fluctuations in interest and foreign exchanges rates; limitations on the liquidity of our investments; the state of global equity and capital markets and the availability of equity and debt financing and refinancing within these markets; strategic actions including dispositions; changes in accounting policies and methods used to report financial condition (including uncertainties associated with critical accounting assumptions and estimates); the effect of applying future accounting changes; business competition; operational and reputational risks; technological change; changes in government regulation and legislation; changes in tax laws; risks associated with the use of financial leverage and other risks and factors detailed from time to time in our documents filed with the securities regulators in Canada.

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, the Company undertakes 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 ACCOUNTING MEASURES

This interim report makes reference to net income for common shareholders and net book value per common share, and provides a full reconciliation between these measures and net income and total assets, respectively, which the Company considers to be the most directly comparable measures calculated in accordance with IFRS.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at *(Thousands)*	Note	*(unaudited)* **September 30, 2015**	*(audited)* December 31, 2014
Assets			
Cash and cash equivalents		**$ 30,085**	$ 19,350
Accounts receivable and other		**3,140**	39,183
Brookfield Asset Management Inc.	3	**3,604,381**	3,273,491
Other securities	3	**536,639**	438,524
		$ 4,174,245	$ 3,770,548
Liabilities			
Accounts payable and other	9	**$ 174,070**	$ 24,845
Preferred shares	5	**608,893**	607,777
Deferred taxes		**406,338**	378,859
		1,189,301	1,011,481
Shareholders' Equity			
Common equity	6	**2,984,944**	2,759,067
		$ 4,174,245	$ 3,770,548

CONSOLIDATED STATEMENTS OF OPERATIONS

(unaudited) *For the periods ended September 30* *(Thousands, except per share amounts)*	Three months ended		Nine months ended	
	2015	2014	**2015**	2014
Investment Income				
Dividends	**$ 18,083**	$ 12,774	**$ 50,523**	$ 41,362
Other investment income	**298**	382	**605**	501
	18,381	13,156	**51,128**	41,863
Expenses				
Operating	**(859)**	(211)	**(2,403)**	(863)
Financing costs	**(447)**	(16)	**(693)**	(40)
Retractable preferred share dividends	**(6,973)**	(7,102)	**(20,926)**	(21,092)
	10,102	5,827	**27,106**	19,868
Investment valuation (losses) gains	**(41,291)**	(2,750)	**(44,838)**	3,754
Equity accounted (loss) income	**—**	(2,707)	**—**	12,060
Amortization of deferred financing costs	**(458)**	(446)	**(1,372)**	(1,333)
Change in value of fund unit liability	**2,838**	—	**2,979**	—
Current taxes	**(1,172)**	144	**(4,210)**	(544)
Deferred taxes	**7,778**	675	**9,829**	(1,461)
Foreign currency (losses) gains	**(12,736)**	479	**(10,331)**	1,808
Net (loss) income	**$ (34,939)**	$ 1,222	**$ (20,837)**	$ 34,152
Net (loss) income per common share (Note 7)	**$ (0.47)**	$ 0.01	**$ (0.28)**	$ 0.46

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(unaudited) *For the periods ended September 30* *(Thousands, except per share amounts)*	Three months ended		Nine months ended	
	2015	2014	**2015**	2014
Net (loss) income	**$ (34,939)**	$ 1,222	**$ (20,837)**	$ 34,152
Items that may be reclassified to net income:				
Unrealized (losses) gains on available-for-sale securities	**(152,217)**	184,131	**275,106**	526,735
Foreign currency translation	**4,889**	2,894	**8,916**	3,188
Deferred income taxes	**19,904**	(24,407)	**(37,308)**	(69,840)
Other comprehensive (loss) income	**$ (127,424)**	$ 162,618	**$ 246,714**	$ 460,083
Comprehensive (loss) income	**$ (162,363)**	$ 163,840	**$ 225,877**	$ 494,235
Comprehensive (loss) income per common share	**$ (2.20)**	$ 2.21	**$ 3.08**	$ 6.66

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(unaudited) *For the three months ended September 30, 2015* *(Thousands)*	Note	Common Shares	Retained Earnings	Accumulated Other Comprehensive Income	Common Equity
Balance, beginning of period		$ 78,744	$ 75,612	$ 2,992,951	$ 3,147,307
Net loss		—	(34,939)	—	(34,939)
Other comprehensive loss		—	—	(127,424)	(127,424)
Balance, end of period	6	$ 78,744	$ 40,673	$ 2,865,527	$ 2,984,944

(unaudited) *For the nine months ended September 30, 2015* *(Thousands)*	Note	Common Shares	Retained Earnings	Accumulated Other Comprehensive Income	Common Equity
Balance, beginning of period		$ 78,744	$ 61,510	$ 2,618,813	$ 2,759,067
Net loss		—	(20,837)	—	(20,837)
Other comprehensive income		—	—	246,714	246,714
Balance, end of period	6	$ 78,744	$ 40,673	$ 2,865,527	$ 2,984,944

(unaudited) *For the three months ended September 30, 2014* *(Thousands)*	Note	Common Shares	Retained Earnings	Accumulated Other Comprehensive Income	Common Equity
Balance, beginning of period		$ 79,450	$ 86,925	$ 2,045,575	$ 2,211,950
Net income		—	1,222	—	1,222
Other comprehensive income		—	—	162,618	162,618
Balance, end of period	6	$ 79,450	$ 88,147	$ 2,208,193	$ 2,375,790

(unaudited) *For the nine months ended September 30, 2014* *(Thousands)*	Note	Common Shares	Retained Earnings	Accumulated Other Comprehensive Income	Common Equity
Balance, beginning of period		$ 79,450	$ 53,995	$ 1,748,110	$ 1,881,555
Net income		—	34,152	—	34,152
Other comprehensive income		—	—	460,083	460,083
Balance, end of period	6	$ 79,450	$ 88,147	$ 2,208,193	$ 2,375,790

CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited) *For the periods ended September 30* *(Thousands)*	Three months ended **2015**	 2014	Nine months ended **2015**	 2014
Cash flow from operating activities				
Net (loss) income	**$ (34,939)**	$ 1,222	**$ (20,837)**	$ 34,152
Add (deduct) non-cash items:				
Non-cash portion of equity accounted income	**—**	3,927	**—**	(8,400)
Net investments valuation losses (gains)	**41,291**	2,750	**44,838**	(3,754)
Net unrealized foreign exchange (gains) losses	**12,734**	(2,045)	**14,381**	(3,374)
Amortization of deferred financing costs	**458**	446	**1,372**	1,333
Change in the value of fund unit liability	**(2,838)**	—	**(2,979)**	—
Deferred taxes	**(7,778)**	(675)	**(9,829)**	1,461
	8,928	5,625	**26,946**	21,418
Changes in working capital and foreign currency	**657**	3,491	**(687)**	418
	9,585	9,116	**26,259**	21,836
Cash flow used in investing activities				
Purchase of securities	**(69,743)**	—	**(167,802)**	(4,593)
Sale of securities	**10,718**	—	**22,192**	5,779
	(59,025)	—	**(145,610)**	1,186
Cash flow used in financing activities				
Preferred shares issued	**—**	193,613	**—**	193,613
Preferred shares redeemed	**—**	(124,871)	**—**	(124,871)
Borrowings arranged	**—**	560	**58,439**	560
Margin loan arranged	**61,783**	—	**74,090**	—
Margin loan repaid	**(1,693)**	—	**(1,693)**	—
Distribution to fund unit liability	**(249)**	—	**(750)**	—
	59,841	69,302	**130,086**	69,302
Cash and cash equivalents				
Change in cash	**10,401**	78,418	**10,735**	92,324
Balance, beginning of period	**19,684**	19,008	**19,350**	5,102
Balance, end of period	**$ 30,085**	$ 97,426	**$ 30,085**	$ 97,426

Supplemental Cash Flow Information

(Thousands)	Three months ended September 30 **2015**	 2014	Nine months ended September 30 **2015**	 2014
Cash interest and dividends received	**$ 18,899**	$ 13,523	**$ 48,681**	$ 42,602
Retractable preferred share dividends paid	**(6,974)**	(7,102)	**(20,926)**	(21,092)
Income taxes paid	**(471)**	(63)	**(3,571)**	(1,505)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. BUSINESS OPERATIONS

Partners Value Investments Inc. (the "Company"), formerly Partners Value Fund Inc., is an investment holding company incorporated under the laws of the province of Ontario which owns a leveraged investment in Brookfield Asset Management Inc. ("Brookfield"). Brookfield provides management and administration services to the Company. The consolidated financial statements include the accounts of the Company's subsidiaries: 100% owned Partners Value Split Corp. ("Partners Value Split") and Global Champions Split Corp. ("Global Champions"), and 90% owned subsidiary, New Horizons Income Fund ("New Horizons"). The Company was formed by articles of incorporation under the Business Corporations Act (Ontario) and is registered in Ontario, Canada. The registered office of the Company is Brookfield Place, 181 Bay Street, Suite 210, Toronto, Ontario, M5J 2T3.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of Compliance

The condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting on a basis consistent with the accounting policies disclosed in the audited consolidated financial statements for the fiscal year ended December 31, 2014.

The interim financial statements should be read in conjunction with the most recently issued Annual Report of the Company which includes information necessary or useful to understanding the Company's businesses and financial statement presentation. In particular, the Company's significant accounting policies were presented as Note 2 to the Consolidated Financial Statements for the fiscal year ended December 31, 2014 included in that report, and have been consistently applied in the preparation of these interim financial statements.

The interim financial statements are unaudited. The results reported in these interim consolidated financial statements should not be regarded as necessarily indicative of results that may be expected for the entire year.

These financial statements were authorized for issuance by the Board of Directors of the Company on November 26, 2015.

(b) Future Changes in Accounting Standards

Financial Instruments
In July 2014, the IASB issued the final publication of IFRS 9, Financial Instruments ("IFRS 9"), superseding IAS 39, Financial Instruments. IFRS 9 establishes principles for the financial reporting of financial assets and financial liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity's future cash flows. This new standard also includes a new general hedge accounting standard which will align hedge accounting more closely with risk management. It does not fully change the types of hedging relationships or the requirement to measure and recognize ineffectiveness, however, it will provide more hedging strategies that are used for risk management to qualify for hedge accounting and introduce more judgment to assess the effectiveness of a hedging relationship. The standard has a mandatorily effective date for annual periods beginning on or after January 1, 2018, with early adoption permitted. The company has not yet determined the impact of IFRS 9 on its consolidated financial statements.

3. INVESTMENT PORTFOLIO

The Company's investment portfolio consists of the following:

As at (Thousands)	Classification[1]	Number of Shares/Units Sept. 30, 2015	Number of Shares/Units Dec. 31, 2014	Fair Value Sept. 30, 2015	Fair Value Dec. 31, 2014
Brookfield Asset Management Inc.[2]	AFS	**85,839**	56,226	**$ 3,604,381**	$ 3,273,491
Other securities:					
Brookfield Infrastructure Partners L.P.	AFS	**2,219**	2,219	**109,091**	107,937
Brookfield Property Partners L.P.	AFS	**3,613**	3,613	**103,597**	95,576
New Horizons Portfolio	FVTPL	**various**	various	**112,760**	115,031
Global Champions portfolio	FVTPL	**various**	various	**136,019**	119,980
Other publicly-traded securities	FVTPL	**various**	various	**75,172**	—
				$ 536,639	$ 438,524

1 AFS represents available for sale and FVTPL represents fair value through profit and loss accounting classification. Changes in fair value of AFS securities are recorded in other comprehensive income, and changes in fair value of FVTPL are recorded in net income.
2 During the nine months ended September 2015, the Company purchased an additional 1 million Brookfield shares. Subsequent to the purchase, there was a three for two stock split of the Brookfield shares.

Brookfield Asset Management Inc.

The Company owns 86 million (2014 – 56 million) Class A Limited Voting Shares ("Brookfield shares") of Brookfield Asset Management Inc. ("Brookfield") representing an 8.5% (2014 – 8.6%) fully diluted equity interest.

Other Securities

The Company holds an investment in Brookfield Infrastructure Partners consisting of 2.2 million (December 31, 2014 – 2.2 million) limited partnership units with a fair value of $109 million at September 30, 2015 (December 31, 2014 – $108 million).

The Company has an investment in Brookfield Property Partners consisting of 3.6 million limited partnership units with a fair value of $104 million at September 30, 2015 (December 31, 2014 – $96 million).

New Horizons, a public subsidiary which invests in high yield securities and in which the Company owns 90% of the common equity, has a portfolio of securities with a fair value of $113 million at September 30, 2015 (December 31, 2014 – $115 million).

Global Champions, a public subsidiary which invests in a diversified portfolio of large capitalization companies and in which the Company owns 100% of the common equity, has a portfolio of securities with a fair value of $136 million at September 30, 2015 (December 31, 2014 – $120 million).

The Company has a portfolio of other publicly traded securities with a fair value of $75 million at September 30, 2015 (December 31, 2014 - $nil).

4. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of a financial instrument is the amount of consideration that would be agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act. Fair values are determined by reference to a price within a bid-ask spread that is deemed most appropriate.

Fair value hierarchical levels are directly determined by the amount of subjectivity associated with the valuation of these assets and liabilities and are as follows:

- Level 1 Quoted prices available in active markets for identical investments as of the reporting date.
- Level 2 Pricing inputs other than quoted market prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair values are determined through the use of models or other valuation methodologies.
- Level 3 Pricing inputs are unobservable for the instrument and includes situations where there is little, if any, market activity for the instrument. The inputs into the determination of fair value require significant management estimation.

The fair value hierarchical level associated with the Company's financial assets and liabilities measured at fair value consists of the following:

As at (Thousands)	**September 30, 2015**			Dec. 31, 2014		
	Level 1	**Level 2**	**Level 3**	Level 1	Level 2	Level 3
Brookfield Asset Management Inc.	**$ 3,604,381**	**$ —**	**$ —**	$ 3,273,491	$ —	$ —
Other securities	**536,639**	**—**	**—**	438,524	—	—
Derivatives assets[1]	**—**	**1,117**	**—**	—	38,418	—
Derivative liabilities[1]	**—**	**(20,275)**	**—**	—	(6,036)	—
	$ 4,141,020	**$ (19,158)**	**$ —**	$ 3,712,015	$ 32,382	$ —

1 Presented within accounts receivable/accounts payable and other on the statement of financial position.

As at September 30, 2015, a cumulative pre-tax gain of $3,303 million (December 31, 2014 – $3,028 million) has been recognized for financial instruments classified as available-for-sale, over their historical cost amounts.

5. PREFERRED SHARES

Retractable preferred shares issued by the Company's subsidiaries are comprised of the following:

As at (Thousands)			Issued and Outstanding Sep. 30, 2015	Issued and Outstanding Dec. 31, 2014	Book Value Sep. 30, 2015	Book Value Dec. 31, 2014
Partners Value Split						
2,055,420	4.95% Class AA, Series 1	March 25, 2016	$ **2,055**	$ 2,055	$ **51,386**	$ 51,386
7,631,000	4.35% Class AA, Series 3	January 10, 2019	**7,637**	7,637	**190,777**	190,777
4,999,000	4.85% Class AA, Series 5	December 10, 2017	**4,999**	4,999	**124,975**	124,975
8,000,000	4.50% Class AA, Series 6	October 8, 2021	**7,990**	8,000	**199,750**	200,000
Global Champions						
2,000,000	4.00% Class A, Series 1	July 31, 2019	**2,000**	2,000	**50,000**	50,000
					616,888	617,138
Deferred financing costs[1]					**(7,995)**	(9,361)
					$ **608,893**	$ 607,777

1 Deferred financing costs are amortized over the term of the borrowing using the effective interest method

6. SHAREHOLDERS' EQUITY

Authorized

50,000,000 preferred shares, issuable in series.
An unlimited number of voting and non-voting common shares.

Issued and outstanding

As at (Thousands)	Shares Outstanding Sep. 30, 2015	Shares Outstanding Dec. 31, 2014	Book Value Sep. 30, 2015	Book Value Dec. 31, 2014
Common shares, voting and non-voting	**73,547**	73,547	$ **78,744**	$ 78,744
Accumulated other comprehensive income			**2,865,527**	2,618,813
Retained earnings			**40,673**	61,510
			$ **2,984,944**	$ 2,759,067

7. NET INCOME PER COMMON SHARE

Net income per common share is calculated based on the weighted average number of outstanding shares during the period. For the three months and nine months ended September 30, 2015, the weighed average number of outstanding shares were 73,546,899 (September 30, 2014 – 74,206,510) on a fully diluted basis.

8. RELATED-PARTY TRANSACTIONS

Brookfield provides management and financial services to the Company and recovered costs of $11,250 for the nine months ended September 30, 2015 (September 30, 2014 – $30,000) plus applicable sales tax in respect of those services.

9. ACCOUNTS PAYABLE AND OTHER

The Company has a $70 million revolving credit facility with a third party financial institution on which it had drawn $64 million as at September 30, 2015 (September 30, 2014 – $nil). The Company also has a prime brokerage margin account with a third party financial institution for which it has pledged $74 million of collateral as at September 20, 2015 (September 30, 2014 - $nil). The balance of these two accounts are included within accounts payable and other.

10. SUBSEQUENT EVENTS

On October 29, 2015, the Company's subsidiary, Partners Value Split, completed a $100 million offering of 4,000,000 Class AA Preferred Shares, Series 7 ("Series 7 Preferred Shares") at an offering price of $25.00 per Series 7 Preferred Share. The Series 7 Preferred Shares carry quarterly fixed cumulative preferential dividends representing a 5.50% annualized yield on the offering price and have a final maturity of October 31, 2022.

CORPORATE INFORMATION

DIRECTORS

John P. Barratt [1, 2]
Corporate Director

Edward C. Kress
Corporate Director

Brian D. Lawson
Chief Financial Officer
Brookfield Asset Management Inc.

George E. Myhal
President and Chief Executive Officer
Partners Value Investments Inc.

Frank N.C. Lochan [1, 2]
Corporate Director

Ralph J. Zarboni [1, 2]
President
Rossiter Ventures Corporation

1. Member of the Audit Committee
2. Member of the Corporate Governance Committee

OFFICERS

Frank N.C. Lochan
Chairman

George E. Myhal
President and Chief Executive Officer

Vu H. Nguyen
Vice President, Finance

Loretta M. Corso
Corporate Secretary

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EXCHANGE LISTING

TSX Venture Exchange
Stock Symbol: PVF

Partners Value Investments Inc.