

STATEMENTS OF NET CASH FLOW FROM OPERATIONS

<i>(Unaudited)</i> US\$ millions (except per share amounts)	<i>Three months ended</i> <i>September 30</i>		<i>Nine months ended</i> <i>September 30</i>	
	2009	2008	2009	2008
Fees earned	\$ 157	\$ 109	\$ 385	\$ 336
Revenues less direct operating costs				
Commercial properties	176	272	564	610
Power generation	387	106	609	397
Infrastructure	9	27	43	95
Development and other properties	54	62	121	193
Specialty funds	14	(9)	37	106
Investment and other income	65	181	293	483
	862	748	2,052	2,220
Expenses				
Interest	85	82	236	244
Other operating costs	190	158	499	463
Current income taxes	(6)	3	(1)	6
Non-controlling interests	73	150	249	331
Cash flow from operations	\$ 520	\$ 355	\$ 1,069	\$ 1,176
Cash flow from operations per common share – diluted	\$ 0.88	\$ 0.58	\$ 1.80	\$ 1.92

Notes

The statements of net cash flow from operations above are prepared on a basis that is consistent with Management's Discussion and Analysis of Financial Results ("MD&A") and differ from the company's consolidated financial statements presented in its 2008 Annual Report, which are prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). Management uses cash flow from operations as a key measure to evaluate performance and to determine the underlying value of its businesses. Readers are encouraged to consider both measures in assessing Brookfield Asset Management's results. Cash flow from operations is equal to net income excluding "other items" as presented in the consolidated statements of income on page 6 of this release.

Cash flow from operations in this statement represents the operations of Brookfield Asset Management and Brookfield Properties Corporation ("Brookfield Properties") on a combined basis and is net of carrying charges associated with related liabilities and cash flows attributable to non-controlling interests. Readers are encouraged to refer to the company's supplemental information or the MD&A contained in the 2008 Annual Report, both of which are available at www.brookfield.com.

STATEMENTS OF NET INVESTED CAPITAL

<i>(Unaudited) US\$ millions</i>	<i>Net Invested Capital</i>	
	<i>September 30, 2009</i>	<i>December 31, 2008</i>
Assets		
Operating platforms		
Commercial properties	\$ 5,451	\$ 4,575
Power generation	1,182	1,215
Infrastructure	745	761
Development and other properties	4,315	3,334
Specialty funds	992	870
Investments	656	704
Cash and financial assets	1,503	1,073
Other assets	3,054	2,551
	\$ 17,898	\$ 15,083
Liabilities		
Corporate borrowings	\$ 2,209	\$ 2,284
Subsidiary borrowings	786	733
Other liabilities	2,848	2,654
	5,843	5,671
Capitalization		
Capital securities	1,616	1,425
Co-investor interests in consolidated operations	3,044	2,206
Preferred equity	1,144	870
Common equity	6,251	4,911
	12,055	9,412
	\$ 17,898	\$ 15,083

Net invested capital includes the operations of the company and Brookfield Properties collectively, and is presented on a deconsolidated basis meaning that assets are presented net of associated liabilities and non-controlling interests.

CONSOLIDATED STATEMENTS OF INCOME

<i>(Unaudited)</i>	<i>Three months ended</i>		<i>Nine months ended</i>	
<i>US\$ millions (except per share amounts)</i>	<i>September 30</i>		<i>September 30</i>	
	2009	2008	2009	2008
Total revenues	\$ 2,996	\$ 3,216	\$ 8,625	\$ 9,862
Fees earned	\$ 157	\$ 109	\$ 385	\$ 336
Revenues less direct operating costs				
Commercial properties	436	595	1,260	1,443
Power generation	506	213	956	728
Infrastructure	28	36	84	128
Development and other properties	85	62	203	245
Specialty funds	21	32	95	255
Investment and other income	144	247	535	713
	1,377	1,294	3,518	3,848
Expenses				
Interest	461	535	1,328	1,537
Other operating costs	193	167	518	480
Current income taxes	(2)	2	40	40
Non-controlling interests	205	235	563	615
	520	355	1,069	1,176
Other items				
Depreciation and amortization	(321)	(333)	(950)	(975)
Equity accounted losses from investments	—	(11)	—	(51)
Revaluation and other items	(192)	104	(268)	(5)
Future income taxes	(48)	(105)	51	(84)
Non-controlling interests in the foregoing items	153	161	450	417
Net income	\$ 112	\$ 171	\$ 352	\$ 478
Net income per common share				
Diluted	\$ 0.17	\$ 0.27	\$ 0.56	\$ 0.75
Basic	\$ 0.17	\$ 0.27	\$ 0.56	\$ 0.76

Note

The consolidated statements of income are prepared on a basis consistent with the company's financial statements presented in its interim report, which are prepared in accordance with Canadian GAAP.