

# Brookfield Investments Corporation

STOCK SYMBOL : BRN.PR.A (TSX Venture Exchange)

## NEWS RELEASE

### BROOKFIELD INVESTMENTS CORPORATION ANNOUNCES SECOND QUARTER FINANCIAL RESULTS

**TORONTO, August 29, 2011** – Brookfield Investments Corporation reported net income of \$2 million or \$0.04 per common share for the three months ended June 30, 2011, compared to \$25 million or \$0.54 per share for the same period in the prior year. The current quarter includes \$2 million of unrealized foreign exchange losses compared to \$13 million of unrealized foreign exchange gains for the same period in 2010. Net income in the prior year also included a \$10 million mark-to-market gain on the company's European commercial office properties which are held through its investment in Brookfield Europe L.P.

Dividend and interest income increased by \$2 million to \$10 million for the three months ended June 30, 2011. Dividend payments of \$8 million on the company's retractable preferred shares, which are classified as interest expense, were consistent with the prior period. The company's investment in Brookfield Europe L.P. contributed \$1 million of net income, whereas in the prior year it contributed \$12 million, which included the \$10 million unrealized gain noted above. Panelboard investments, held through Norbord Inc., contributed \$nil for the second quarter of 2011, compared to a net income of \$4 million for the same period in 2010.

The company's Board of Directors declared the regular quarterly dividend of C\$0.29375 per share on its Senior Preferred Shares, Series A payable on September 30, 2011 to shareholders of record on September 20, 2011.

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Brookfield Investments Corporation holds investments in the property and forest products sectors, as well as a portfolio of preferred shares issued by companies within the Brookfield Asset Management Inc. group. The common shares of Brookfield Investments Corporation are wholly owned by Brookfield Asset Management Inc., a global asset manager focused on property, power and infrastructure assets.

*Derek E. Gorgi, Vice President and Chief Financial Officer, will be available at 416-363-9491 to answer any questions on the company's financial results.*

## CONSOLIDATED STATEMENTS OF OPERATIONS

<i>(unaudited)</i>	Three months ended June 30		Six months ended June 30	
<i>US\$ millions, except per share amounts</i>	<b>2011</b>	2010	<b>2011</b>	2010
<b>Investment income</b>				
Equity accounted income from Brookfield Europe L.P.	\$ 1	\$ 12	\$ 50	\$ 15
Equity accounted income from Norbord Inc.	—	4	—	3
Dividend and interest income	10	8	20	16
Foreign exchange (loss) income	(2)	13	(2)	(33)
	<b>9</b>	<b>37</b>	<b>68</b>	<b>1</b>
<b>Expenses</b>				
Interest	8	7	15	14
Net income (loss) before income taxes	1	30	53	(13)
Income tax recovery (expense)	1	(5)	(4)	(4)
<b>Net income (loss)</b>	<b>\$ 2</b>	<b>\$ 25</b>	<b>\$ 49</b>	<b>\$ (17)</b>
<b>Net income (loss) per common share</b>	<b>\$ 0.04</b>	<b>\$ 0.54</b>	<b>\$ 1.06</b>	<b>\$ (0.37)</b>

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

<i>(unaudited)</i>	Three months ended June 30		Six months ended June 30	
<i>US\$ millions</i>	<b>2011</b>	2010	<b>2011</b>	2010
<b>Net income (loss)</b>	<b>\$ 2</b>	<b>\$ 25</b>	<b>\$ 49</b>	<b>\$ (17)</b>
<b>Other comprehensive income (loss)</b>				
Foreign currency translation	1	(5)	11	(26)
Available-for-sale securities	90	(69)	109	128
Equity accounted other comprehensive income (loss)	—	—	6	(1)
Deferred income tax	2	2	(2)	3
	<b>93</b>	<b>(72)</b>	<b>124</b>	<b>104</b>
<b>Comprehensive income (loss)</b>	<b>\$ 95</b>	<b>\$ (47)</b>	<b>\$ 173</b>	<b>\$ 87</b>

## CONSOLIDATED BALANCE SHEETS

(unaudited)

US\$ millions	June 30, 2011	December 31, 2010	January 1, 2010
<b>Assets</b>			
Current assets			
Deposits receivable	\$ —	\$ —	\$ 3
Securities	241	227	190
Non-current assets			
Investments - Securities			
Brookfield Office Properties Inc.	1,069	973	672
Brookfield Residential Properties Inc.	56	—	—
Investments - Associates			
Brookfield Europe L.P.	408	366	332
Norbord Inc.	74	79	79
	<b>\$ 1,848</b>	<b>\$ 1,645</b>	<b>\$ 1,276</b>
<b>Liabilities</b>			
Current liabilities			
Deposits payable	\$ 3	\$ 27	\$ —
Retractable preferred shares	713	708	700
Deferred taxes	54	40	36
<b>Equity</b>	<b>1,078</b>	<b>870</b>	<b>540</b>
	<b>\$ 1,848</b>	<b>\$ 1,645</b>	<b>\$ 1,276</b>