



Stock Symbol: BNB
Exchange Code: TSX

NEWS RELEASE

BAM INVESTMENTS ANNOUNCES SECOND QUARTER RESULTS

FOR IMMEDIATE RELEASE

August 14, 2008

TORONTO – BAM Investments Corp. (TSX: BNB) today announced its financial results for the second quarter ended June 30, 2008.

The company recorded net income of \$0.6 million (\$0.01 per share) for the quarter ended June 30, 2008, compared with \$1.8 million (\$0.02 per share) in the same period last year. In the first quarter of 2008, the company received a special dividend on the Brookfield Class A shares valued at \$50.1 million.

The company’s principal investment is a direct and indirect interest in 55.5 million Class A Limited Voting shares (“Class A shares”) of Brookfield Asset Management Inc. (“Brookfield”).

Consolidated Statements of Operations

<i>(unaudited)</i> \$thousands, except per share amounts	Three months ended June 30		Six months ended June 30	
	2008	2007	2008	2007
Investment income				
Dividends, interest and other	\$ 9,405	\$ 9,474	\$ 17,197	\$ 17,297
Special dividend	—	—	50,056	—
	9,405	9,474	67,253	17,297
Expenses				
Operating	179	219	401	685
Interest expense	1,056	1,083	2,083	2,158
Amortization of deferred financing costs	426	406	844	784
Subsidiary preferred share dividends	5,118	6,125	10,236	10,236
	6,779	7,833	13,564	13,863
Net income before income taxes	2,626	1,641	53,689	3,434
Future tax expense (recovery)	2,042	(144)	1,580	(1,441)
Net income	\$ 584	\$ 1,785	\$ 52,109	\$ 4,875
Preferred share dividends	—	—	—	(213)
Net income for common shareholders	\$ 584	\$ 1,785	\$ 52,109	\$ 4,662
Net income per common share	\$ 0.01	\$ 0.02	\$ 0.66	\$ 0.06

Net Book Value

The net book value of the company's common shares as at June 30, 2008 based on the stock market price of Brookfield's Class A shares of \$33.10 was \$16.76 per share. BAM Investments holds 6.98 Brookfield Class A shares for every 10 common shares of BAM Investments. The information in the following table has been extracted from the company's consolidated balance sheet as at June 30, 2008.

Statement of Financial Position

As at June 30, 2008 (<i>\$thousands, except per share amounts</i>)	Net Asset Value
Assets	
Investment in Brookfield Asset Management Inc. ⁽¹⁾	\$ 1,835,932
Investment in Brookfield Infrastructure Partners ⁽²⁾	48,661
Cash and equivalents	54,783
Other assets	9,435
	\$ 1,948,811
Liabilities	
Accounts payable and provisions	\$ 2,964
Retractable preferred shares ⁽³⁾	397,732
Future tax liability ⁽⁴⁾	217,365
	618,061
Shareholders' Equity	
Common shares	1,330,750
	\$ 1,948,811
Net Asset Value Per Common Share⁽⁵⁾	\$ 16.76

Notes:

- 1) The investment in Brookfield Asset Management Inc. consists of 55.5 million Class A shares at a bid price of \$33.10 per Brookfield share at June 30, 2008. This represents the total shares owned of 60.8 million Class A shares less 5.3 million Class A that have been set aside for settlement of the long-term exchangeable debentures issued by the company.
- 2) The investment in Brookfield Infrastructure Partners consists of 2.4 million Limited Partnership Units at a bid price of \$20.02 per unit.
- 3) Represents \$405 million retractable preferred shares issued by BAM Split Corp, which is a subsidiary of the company, net of unamortized issuance costs.
- 4) The future tax liability represents the potential future income tax liability of the company 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 as at the date of this statement.
- 5) As at June 30, 2008, there were 79,418,910 common shares of the company issued and outstanding.

For further information, contact Brian D. Lawson, President and Chief Executive Officer at (416) 359-8620.

Note: This news release contains "forward-looking statements". The words "potential" and "estimated" and other expressions which are predictions of or indicate future events and trends and which do not relate to historical matters identify forward-looking statements. Reliance should not be placed on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the company to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from those set forth in the forward-looking statements include general economic conditions, interest rates, availability of equity and debt financing and other risks detailed from time to time in the company's continuous disclosure documents. The company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.