Brookfield

2024

Brookfield Business Partners L.P.

Q2 SUPPLEMENTAL INFORMATION

THREE MONTHS ENDED JUNE 30, 2024

Important Cautionary Notes

All amounts in this Supplemental Information are in U.S. dollars unless otherwise specified. Unless otherwise indicated, the statistical and financial data in this document is presented as at June 30, 2024.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS AND INFORMATION

Note: This Supplemental Information contains "forward-looking information" within the meaning of Canadian provincial securities laws and "forward-looking statements" within the meaning of applicable Canadian and U.S. securities laws. 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 Brookfield Business Partners, as well as regarding recently completed and proposed acquisitions, dispositions, and other transactions, and 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", "views", "potential", "likely" 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, investors and other readers 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 Brookfield Business Partners to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements and information. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to us or are within our control. If a change occurs, our business, financial condition, liquidity and result of operations and our plans and strategies may vary materially from those expressed in the forward-looking statements and forward-looking information herein.

Factors that could cause actual results to differ materially from those contemplated or implied by forward-looking statements include, but are not limited to: the cyclical nature of our operating businesses and general economic conditions and risks relating to the economy, including unfavorable changes in interest rates, foreign exchange rates, inflation and volatility in the financial markets; global equity and capital markets and the availability of equity and debt financing and refinancing within these markets; strategic actions including our ability to complete dispositions and achieve the anticipated benefits therefrom; the ability to complete and effectively integrate acquisitions into existing operations and the ability to attain expected benefits; changes in accounting policies and methods used to report financial condition (including uncertainties associated with critical accounting assumptions and estimates); the ability to appropriately manage human capital; the effect of applying future accounting changes; business competition; operational and reputational risks; technological change; changes in government regulation and legislation within the countries in which we operate; governmental investigations; litigation; changes in tax laws; ability to collect amounts owed; catastrophic events, such as earthquakes, hurricanes and pandemics/epidemics; cybersecurity incidents; the possible impact of international conflicts, wars and related developments including terrorist acts, and cyber terrorism; and other risks and factors detailed from time to time in our documents filed with the securities regulators in Canada and the United States including those set forth in the "Risk Factors" section in our annual report for the year ended December 31, 2023 filed on Form 20-F.

Statements relating to "reserves" are deemed to be forward-looking statements as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described herein can be profitably produced in the future. We qualify any and all of our forward-looking statements by these cautionary factors.

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, we undertake 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 a Non-IFRS Measure

This Supplemental Information contains references to a Non-IFRS measure. Adjusted EBITDA is not a generally accepted accounting measure under IFRS and therefore may differ from definitions used by other entities. We believe this is a useful supplemental measure that may assist investors in assessing the financial performance of Brookfield Business Partners and its subsidiaries. However, Adjusted EBITDA should not be considered in isolation from, or as a substitute for, analysis of our financial statements prepared in accordance with IFRS.

References to Brookfield Business Partners are to Brookfield Business Partners L.P. together with its subsidiaries, controlled affiliates and operating entities. Unitholders' results include limited partnership units, redemption-exchange units, general partnership units, BBUC exchangeable shares and special limited partnership units. More detailed information on certain references made in this Supplemental Information will be available in our Management's Discussion and Analysis of Financial Condition and Results of Operations in our interim report for the second quarter ended June 30, 2024 furnished on Form 6-K.

Overview

Q2 2024 Highlights - Operating Performance

Brookfield

Key Performance Metrics

US$ millions (except per unit amounts), unaudited	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Net income (loss) attributable to Unitholders	**$ (20)**	$ (48)	**$ 28**	$ 26
Net income (loss) per limited partnership unit [1]	**(0.10)**	(0.22)	**0.13**	0.12
Adjusted EBITDA [2]	**524**	606	**1,068**	1,228

Statements of Operating Results by Segment

US$ millions, unaudited	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	Trailing Twelve Months Ended June 30, 2024	Trailing Twelve Months Ended June 30, 2023
Adjusted EBITDA by segment						
Business Services	**$ 182**	$ 223	**$ 387**	$ 435	**$ 852**	$ 829
Infrastructure Services	**157**	216	**300**	441	**712**	900
Industrials	**213**	196	**441**	415	**881**	873
Corporate and Other	**(28)**	(29)	**(60)**	(63)	**(114)**	(136)
Adjusted EBITDA	**$ 524**	$ 606	**$ 1,068**	$ 1,228	**$ 2,331**	$ 2,466
Adjusted EFO by segment						
Business Services	**$ 86**	$ 119	**$ 254**	$ 332	**$ 558**	$ 561
Infrastructure Services	**76**	88	**148**	174	**2,044**	424
Industrials	**206**	63	**386**	225	**653**	475
Corporate and Other	**(79)**	(85)	**(168)**	(165)	**(338)**	(278)

Financial Performance - Three Months Ended June 30, 2024

- Net loss attributable to Unitholders for the three months ended June 30, 2024 was $20 million (loss of $0.10 per limited partnership unit) compared to net loss of $48 million (loss of $0.22 per limited partnership unit) in the prior period.
- Adjusted EBITDA for the three months ended June 30, 2024 was $524 million compared to $606 million in the prior period, reflecting reduced contribution from our Infrastructure Services segment due to the disposition of our nuclear technology services operation and from our Business Services segment. Excluding contribution from disposed operations, prior period Adjusted EBITDA was $550 million.
- Adjusted EBITDA margin of 19% was in line with the prior period. [3]
- Adjusted EFO for the three months ended June 30, 2024 was $289 million ($1.33 per unit [4]) compared to $185 million ($0.85 per unit [4]) in the prior period. Excluding the impact of gain (loss) on acquisitions and dispositions, Adjusted EFO for the three months ended June 30, 2024 was $186 million ($0.86 per unit [4]) compared to $177 million ($0.81 per unit [4]) in the prior period.
- Liquidity at the corporate level for the three months ended June 30, 2024 was $1,576 million including $91 million of cash and financial assets, $1,460 million of availability on credit facilities and $25 million of remaining preferred equity commitment from Brookfield Corporation. Pro forma for announced and closed transactions corporate liquidity is approximately $1,500 million.

1. Net income (loss) per limited partnership unit calculated as net income (loss) attributable to limited partners divided by the average number of limited partnership units outstanding which was 74.3 million for the three months and six months ended June 30, 2024 (2023: 74.6 million).
2. Adjusted EBITDA is a non-IFRS measure and is a key measure of our financial performance that we use to assess operating results and our business performance. For further information on Adjusted EBITDA, see “Definitions” section at the end of this Supplemental Information.
3. Represents Adjusted EBITDA as a percentage of BBU’s proportionate share of revenues for the three months ended June 30, 2024 and June 30, 2023. Excludes contribution from our road fuels operation.
4. Average number of units outstanding on a fully diluted time-weighted average basis for the three months ended June 30, 2024 was 217.0 million (2023: 217.3 million).

Q2 2024 Business Developments

Brookfield

Capital Recycling

- On June 11, 2024, we completed the sale of our Canadian aggregates production operation for total consideration of approximately $140 million of which our share of proceeds was $131 million, representing an approximate 2.6x multiple on our investment and an IRR of approximately 14%.
- On July 31, 2024, we closed the sale of the North American supply and U.K. and European assets in our road fuels operation.

Financing and Liquidity

- During and subsequent to quarter end, we completed five significant debt refinancings within our operations:
  - On May 16, 2024, our dealer software and technology services operation repriced a $3.6 billion USD term loan at SOFR+3.25%, reducing the spread on the debt from SOFR+4.00%.
  - On June 11, 2024, our lottery services operation repriced a $2.1 billion USD term loan at SOFR+3.00%, reducing the spread on the debt from SOFR+3.25%.
  - On June 28, 2024, our modular building leasing services operation repriced a $1.9 billion EUR term loan at EURIBOR+4.18%, reducing the spread on the debt from EURIBOR+4.43%.
  - On July 16, 2024, our advanced energy storage operation refinanced:
    - $2.7 billion USD term loan at SOFR+2.50% from SOFR+3.00%.
    - $1.2 billion EUR term loan at EURIBOR+3.00% from EURIBOR+3.25% and extended the maturity by five years.
- On August 1, 2024, the Board of Directors of the General Partner of the Partnership and BBUC declared a quarterly distribution and quarterly dividend in the amount of $0.0625 per unit and share, respectively, payable on September 27, 2024 to unitholders and shareholders of record as at the close of business on August 30, 2024.

Q2 2024 Highlights - Balance Sheet & Liquidity

Brookfield

Key Balance Sheet Metrics

US$ millions, unaudited		As at June 30, 2024		As at December 31, 2023
Total assets	$	**81,521**	$	82,385
Non-recourse borrowings in subsidiaries of Brookfield Business Partners [(1)]		**40,240**		40,809
Corporate borrowings [(2)]		**1,882**		1,440
Total equity		**18,204**		18,532
Proportionate borrowings				
Business Services [(1)]	$	**5,374**	$	5,813
Infrastructure Services [(1)]		**2,986**		3,118
Industrials [(1)]		**4,097**		4,203
Corporate and Other [(2)]		**1,882**		1,440
	$	**14,339**	$	14,574
Proportionate share of cash				
Business Services	$	**618**	$	749
Infrastructure Services		**195**		189
Industrials		**223**		224
Corporate and Other		**86**		112
	$	**1,122**	$	1,274
Proportionate borrowings, net of cash				
Business Services	$	**4,756**	$	5,064
Infrastructure Services		**2,791**		2,929
Industrials		**3,874**		3,979
Corporate and Other		**1,796**		1,328
	$	**13,217**	$	13,300

Corporate Liquidity

US$ millions, unaudited		As at June 30, 2024		As at December 31, 2023
Corporate cash and financial assets	$	**91**	$	170
Committed corporate credit facilities		**1,460**		1,860
Perpetual preferred equity securities		**25**		25
Total liquidity	$	**1,576**	$	2,055

Pro Forma Corporate Liquidity

US$ millions, unaudited		
Total corporate liquidity, March 31, 2024	$	**1,592**
Distributions, dispositions and other		141
Acquisitions and investments		(157)
Total corporate liquidity, June 30, 2024	$	**1,576**
Distributions, dispositions and other [(3)]		122
Acquisitions and investments [(4)]		(178)
Pro forma corporate liquidity, June 30, 2024	$	**1,520**

1. Includes proportionate share of borrowings made under subscription facilities of Brookfield Funds that Brookfield Business Partners invests alongside and is net of deferred financing costs.
2. June 30, 2024 balance represents corporate borrowings net of deferred financing costs.
3. Primarily relates to proceeds receivable on recently announced and closed monetizations.
4. Relates to the remaining funding of announced and closed acquisitions and investments, subject to the timing of capital funding notices from Brookfield Funds that Brookfield Business Partners invests alongside.

Partnership Capital

Brookfield

Units and Shares Outstanding

	As at		
	June 30, 2024	December 31, 2023	June 30, 2023
Limited partnership units	**74,281,766**	74,281,763	74,613,125
Redemption-exchange units	**69,705,497**	69,705,497	69,705,497
BBUC exchangeable shares	**72,954,447**	72,954,450	72,954,963
General partnership and special limited partnership units	**8**	8	8
Total outstanding	**216,941,718**	216,941,718	217,273,593

Partnership Capital Structure[1]

	As at			
US$ millions (except price and unit amount), unaudited		**June 30, 2024**		December 31, 2023
Partnership units outstanding (in millions) [2]		**144.0**		144.0
Price [3]	**$**	**18.25**	$	20.64
Partnership market capitalization	**$**	**2,628**	$	2,972
BBUC exchangeable shares outstanding (in millions)		**73.0**		73.0
Price [3]	**$**	**20.42**	$	23.28
BBUC market capitalization	**$**	**1,491**	$	1,699
Total market capitalization	**$**	**4,119**	$	4,671
Preferred securities		**725**		725
Proportionate non-recourse borrowings, net of cash		**11,421**		11,972
Corporate borrowings, net of cash		**1,796**		1,328
Enterprise value (EV)	**$**	**18,061**	$	18,696

Incentive Distribution Right

- The special limited partner is entitled to an incentive distribution calculated as 20% of the increase in the market value of the LP Units on a fully exchanged basis (assuming the exchange of all of the Redemption-Exchange Units and BBUC exchangeable shares) over an initial threshold based on the volume-weighted average price of the LP Units, subject to a high-water mark. The incentive distribution is recorded as a distribution in equity once approved by the Board of Directors of the Partnership's General Partner.
- During the second quarter of 2024, the volume-weighted average price per limited partnership unit was $19.30, which was below the incentive distribution threshold of $31.53 per limited partnership unit. This resulted in an incentive distribution of $nil.

Normal Course Issuer Bid ("NCIB")

- Under our NCIB, Brookfield Business Partners and its affiliates are authorized to repurchase annually up to 5% of their issued and outstanding limited partnership units, or 3,730,658 LP units, including up to 14,522 units on the TSX during any trading day. Brookfield Business Partners and its affiliates can make block purchases that exceed this daily purchase restriction, subject to the annual aggregate limit.
  - During the six months ended June 30, 2024 and subsequent to quarter end, Brookfield Corporation, as an affiliate, purchased 252,635[4] limited partnership units under our NCIB.

1. The table presents supplemental measures to assist users in understanding and evaluating the partnership's capital structure.
2. Partnership units outstanding are inclusive of limited partnership units, redemption-exchange units, special limited partnership units and general partnership units.
3. TSX: BBU.UN translated to USD at June 30, 2024 and December 31, 2023, respectively, at the closing CAD-USD foreign exchange rate. NYSE: BBUC at June 30, 2024 and December 31, 2023, respectively.
4. Inclusive of all limited partnership units purchased under our NCIB during the six months ended June 30, 2024 and up to market close on July 31, 2024.

Operating Segments

Our Operations

- Our strategy is to acquire and manage high-quality operations that provide essential products and services and benefit from a strong competitive position.
- We target long-term capital appreciation driven by both organic growth and acquisitions where we can apply our expertise to improve operations and enhance cash flows.
- Our business is principally focused on activities and operations where the broader Brookfield platform provides us with a competitive advantage.
- The table below presents our economic ownership interest in our significant operations. Adjusted EBITDA and Adjusted EFO presented in this Supplemental Information represent our proportionate share of net assets and income in our underlying operations based on our economic ownership interest.

Segment	Description	Select Operations	Economic Ownership Interest [1]
Business Services	Service businesses including residential mortgage insurance, dealer software and technology services, healthcare services, fleet management and car rental services and other	• Residential Mortgage Insurer ("Sagen") • Dealer Software and Technology Services Operation ("CDK Global") • Healthcare Services ("Healthscope") • Fleet Management and Car Rental Services ("Unidas")	• 41% • 26% • 28% • 35%
Infrastructure Services	Infrastructure businesses servicing large-scale infrastructure assets, including lottery services, modular building leasing services, offshore oil services and other	• Lottery Services Operation ("Scientific Games") • Modular Building Leasing Services ("Modulaire") • Offshore Oil Services ("Altera")	• 33% • 28% • 53%
Industrials	Industrial businesses including advanced energy storage operation, engineered components manufacturing and other	• Advanced Energy Storage Operation ("Clarios") • Engineered Components Manufacturing ("DexKo")	• 28% • 33%

1. As at June 30, 2024.

Business Services

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Proportionate Financial Results

The following table presents our proportionate share of our Business Services segment financial results:

US$ millions, unaudited	Three Months Ended June 30[1], 2024	Three Months Ended June 30[1], 2023	Six Months Ended June 30[1], 2024	Six Months Ended June 30[1], 2023
Revenues	**$ 2,353**	$ 2,255	**$ 4,536**	$ 4,465
Direct operating costs	**(2,154)**	(2,004)	**(4,111)**	(3,971)
General and administrative expenses	**(35)**	(43)	**(73)**	(88)
Equity accounted Adjusted EBITDA	**18**	15	**35**	29
Adjusted EBITDA	**$ 182**	$ 223	**$ 387**	$ 435
Gain (loss) on acquisitions / dispositions, net	**—**	22	**15**	89
Gain (loss) on acquisitions / dispositions, net recorded in equity	**—**	8	**—**	14
Other income (expense), net	**2**	—	**51**	—
Interest income (expense), net	**(72)**	(79)	**(143)**	(140)
Current income tax (expense) recovery	**(17)**	(51)	**(38)**	(59)
Equity accounted interest, tax and other expense	**(9)**	(4)	**(18)**	(7)
Adjusted EFO	**$ 86**	$ 119	**$ 254**	$ 332

Proportionate Balance Sheet

The following table presents select balance sheet information of our Business Services segment on a proportionate basis:

US$ millions, unaudited	As at June 30, 2024	As at December 31, 2023
Cash	**$ 618**	$ 749
Non-recourse borrowings in subsidiaries of Brookfield Business Partners	**5,374**	5,813
Proportionate borrowings, net of cash	**$ 4,756**	$ 5,064
Equity attributable to Unitholders	**3,884**	3,418

Operating Performance – Three Months Ended June 30, 2024

- Adjusted EBITDA for the three months ended June 30, 2024 was $182 million compared to $223 million in the prior period.
  - Our residential mortgage insurer generated $62 million of Adjusted EBITDA in Q2 2024, compared to $46 million in Q2 2023. Increased performance was supported by higher recognition of revenue due to stable Canadian housing fundamentals and low losses on claims. Low unemployment, high levels of embedded equity and workout arrangements are enabling borrowers to self-cure mortgage delinquencies contributing to loss ratios well below historical average levels.
  - Dealer software and technology services generated $18 million of Adjusted EBITDA in Q2 2024, compared to $56 million in Q2 2023. Current period results included $38 million related to the impact of costs incurred and one-time billing credits provided to customers related to the disruption of operations during a cybersecurity incident.
  - Healthcare services generated $16 million of Adjusted EBITDA in Q2 2024, in line with the prior period. Total admissions and numbers of surgeries increased slightly but with a mix shift to lower revenue same day surgeries. Expenses continue to be elevated primarily due to higher labor costs.
  - Performance at our construction operation was impacted by additional costs related to a project in Australia and contributed to the decline in segment Adjusted EBITDA compared to the prior period. The business is focused on mitigating further cost escalation on the project, which is expected to be completed later this year.
- Adjusted EFO for the three months ended June 30, 2024 was $86 million compared to $119 million in the prior period, primarily due to the factors noted above.
  - Current income tax expense decreased by $34 million, primarily due to lower taxable income at dealer software and technology services.

1. Adjusted EBITDA margin in our Business Services segment excluding results from our road fuels operation was 12% and 14% for the three months and six months ended June 30, 2024, respectively (2023: 17%).

Infrastructure Services

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Proportionate Financial Results

The following table presents our proportionate share of our Infrastructure Services segment financial results:

US$ millions, unaudited	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Revenues	$ 322	$ 789	$ 629	$ 1,601
Direct operating costs	(189)	(574)	(373)	(1,160)
General and administrative expenses	(20)	(43)	(39)	(86)
Equity accounted Adjusted EBITDA	44	44	83	86
Adjusted EBITDA	$ 157	$ 216	$ 300	$ 441
Gain (loss) on acquisitions / dispositions, net	—	—	—	6
Other income (expense), net	—	6	12	6
Interest income (expense), net	(60)	(109)	(123)	(212)
Current income tax (expense) recovery	(3)	(6)	(4)	(30)
Equity accounted interest, tax and other expense	(18)	(19)	(37)	(37)
Adjusted EFO	$ 76	$ 88	$ 148	$ 174

Proportionate Balance Sheet

The following table presents select balance sheet information of our Infrastructure Services segment on a proportionate basis:

US$ millions, unaudited	As at June 30, 2024	As at December 31, 2023
Cash	$ 195	$ 189
Non-recourse borrowings in subsidiaries of Brookfield Business Partners	2,986	3,118
Proportionate borrowings, net of cash	$ 2,791	$ 2,929
Equity attributable to Unitholders	3,458	3,534

Operating Performance – Three Months Ended June 30, 2024

- Adjusted EBITDA for the three months ended June 30, 2024 was $157 million compared to $216 million in the prior period. Prior period included $60 million of contribution from our nuclear technology services operation which was sold in November 2023.
  - Offshore oil services generated $51 million of Adjusted EBITDA in Q2 2024, compared to $45 million in Q2 2023. Increased performance in shuttle tanker operations was primarily due to higher utilization and re-contracting with higher rates.
  - Modular building leasing services generated $41 million of Adjusted EBITDA in Q2 2024, in line with the prior period. Strong demand for value added products and services is supporting performance. Utilization of our units is mixed as the conditions in the U.K. continue to be soft, offset by more resilient performance in Germany and Asia Pacific.
  - Our lottery services operation generated $38 million of Adjusted EBITDA in Q2 2024, compared to $37 million in Q2 2023. Performance benefited from hardware deliveries, higher margin instant games sales and ongoing operational improvement initiatives. Ramp-up of recent commercial wins should contribute to higher run-rate earnings.
- Adjusted EFO for the three months ended June 30, 2024 was $76 million compared to $88 million in the prior period.
  - Interest expense decreased primarily due to the disposition of our nuclear technology services operation.

Industrials

Proportionate Financial Results

The following table presents our proportionate share of our Industrials segment financial results:

US$ millions, unaudited	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Revenues	**$ 964**	$ 1,084	**$ 1,998**	$ 2,237
Direct operating costs	**(739)**	(868)	**(1,532)**	(1,780)
General and administrative expenses	**(27)**	(36)	**(56)**	(73)
Equity accounted Adjusted EBITDA	**15**	16	**31**	31
Adjusted EBITDA	**$ 213**	$ 196	**$ 441**	$ 415
Gain (loss) on acquisitions / dispositions, net	**81**	—	**81**	—
Gain (loss) on acquisitions / dispositions, net recorded in equity	**22**	—	**69**	64
Other income (expense), net	**3**	1	**4**	2
Interest income (expense), net	**(86)**	(104)	**(176)**	(201)
Current income tax (expense) recovery	**(22)**	(24)	**(23)**	(44)
Equity accounted interest, tax and other expense	**(5)**	(6)	**(10)**	(11)
Adjusted EFO	**$ 206**	$ 63	**$ 386**	$ 225

Proportionate Balance Sheet

The following table presents select balance sheet information of our Industrials segment on a proportionate basis:

US$ millions, unaudited	As at June 30, 2024	As at December 31, 2023
Cash	**$ 223**	$ 224
Non-recourse borrowings in subsidiaries of Brookfield Business Partners	**4,097**	4,203
Proportionate borrowings, net of cash	**$ 3,874**	$ 3,979
Equity attributable to Unitholders	**2,174**	2,155

Operating Performance – Three Months Ended June 30, 2024

- Adjusted EBITDA for the three months ended June 30, 2024 was $213 million compared to $196 million in the prior period.
  - Our advanced energy storage operation generated $140 million of Adjusted EBITDA in Q2 2024, compared to $113 million in Q2 2023. Strong performance during the quarter reflected the ongoing execution of commercial initiatives and growth of higher margin advanced batteries driven by increased aftermarket demand. Performance in the prior period was impacted by a labor strike and downtime at one of the operations' larger U.S. production facilities.
  - Engineered components manufacturing generated $33 million of Adjusted EBITDA in Q2 2024, compared to $44 million in Q2 2023. Performance was impacted by lower sales volume resulting from a reduction in overall market demand.
- Adjusted EFO for the three months ended June 30, 2024 was $206 million compared to $63 million in the prior period.
  - Adjusted EFO in the current period included $103 million of net gains recognized on the disposition of our Canadian aggregates production operation and sale of public securities.
  - Interest expense decreased $18 million primarily due to the disposition of our automotive aftermarket parts remanufacturing operation and lower interest expense in our advanced energy storage operation.

Corporate

Proportionate Financial Results

The following table presents our proportionate share of our Corporate and Other segment financial results:

US$ millions, unaudited	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Revenues	**$ —**	$ —	**$ —**	$ —
Direct operating costs	**(3)**	(3)	**(7)**	(11)
General and administrative expenses	**(25)**	(26)	**(53)**	(52)
Equity accounted Adjusted EBITDA	**—**	—	**—**	—
Adjusted EBITDA	**$ (28)**	$ (29)	**$ (60)**	$ (63)
Interest income (expense), net	**(38)**	(34)	**(75)**	(65)
Current income tax (expense) recovery	**—**	—	**(7)**	7
Preferred equity distributions	**(13)**	(22)	**(26)**	(44)
Adjusted EFO	**$ (79)**	$ (85)	**$ (168)**	$ (165)

Proportionate Balance Sheet

The following table presents select balance sheet information of our Corporate and Other segment on a proportionate basis:

US$ millions, unaudited	As at June 30, 2024	As at December 31, 2023
Cash	**$ 86**	$ 112
Corporate borrowings [(1)]	**1,882**	1,440
Proportionate borrowings, net of cash	**$ 1,796**	$ 1,328
Equity attributable to Unitholders	**(4,062)**	(3,531)

Operating Performance – Three Months Ended June 30, 2024

- General and administrative expenses are comprised of management fees and corporate expenses, including audit and other expenses.
- We pay Brookfield a quarterly base management fee equal to 0.3125% (1.25% annually) of total market capitalization, plus recourse debt, net of cash, and other securities held by corporate entities. Management fees were $21 million compared to $23 million in the prior period.
- Adjusted EFO in the current period included lower distributions on preferred equity securities due to the partial redemption of preferred equity securities held by Brookfield Corporation during Q4 2023.

1. June 30, 2024 balance represents corporate borrowings net of deferred financing costs.

Significant Operations

Summary of Segment & Significant Operations Performance

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The following table presents selected financial results of our significant operations:

US$ millions, unaudited		Three Months Ended June 30, 2024		Three Months Ended June 30, 2023	
Segment	**Operations**	**Adjusted EBITDA**	**Adjusted EFO**	**Adjusted EBITDA**	**Adjusted EFO**
Business Services	Sagen	**$ 62**	**$ 41**	$ 46	$ 28
	CDK Global	**18**	**(5)**	56	21
	Healthscope	**16**	**5**	16	6
	Unidas	**40**	**21**	35	17
	Other	**46**	**24**	70	47
	Total	**$ 182**	**$ 86**	$ 223	$ 119
Infrastructure Services	Scientific Games	**38**	**15**	37	12
	Modulaire	**41**	**16**	41	16
	Altera	**51**	**32**	45	28
	Other [1]	**27**	**13**	93	32
	Total	**$ 157**	**$ 76**	$ 216	$ 88
Industrials	Clarios	**140**	**77**	113	43
	DexKo	**33**	**11**	44	19
	Other [2]	**40**	**118**	39	1
	Total	**$ 213**	**$ 206**	$ 196	$ 63
Corporate and Other		**$ (28)**	**$ (79)**	$ (29)	$ (85)
Total BBU		**$ 524**	**$ 289**	$ 606	$ 185

1. Results from nuclear technology services is included in Other within Infrastructure Services.
2. Adjusted EFO for the three months ended June 30, 2024 included an $81 million net gain related to the disposition of our Canadian aggregates production operation and a $22 million net gain recognized on the sale of public securities.

Summary of Segment & Significant Operations Performance

Brookfield

The following table presents selected financial results of our significant operations:

US$ millions, unaudited		Six Months Ended June 30, 2024		Six Months Ended June 30, 2023	
Segment	**Operations**	**Adjusted EBITDA**	**Adjusted EFO**	**Adjusted EBITDA**	**Adjusted EFO**
Business Services	Sagen	**$ 117**	**$ 83**	$ 93	$ 71
	CDK Global	**81**	**20**	105	46
	Healthscope	**25**	**4**	30	12
	Unidas	**76**	**38**	69	35
	Other [1]	**88**	**109**	138	168
	Total	**$ 387**	**$ 254**	$ 435	$ 332
Infrastructure Services	Scientific Games	**71**	**23**	71	21
	Modulaire	**78**	**29**	78	33
	Altera	**100**	**61**	101	59
	Other [2]	**51**	**35**	191	61
	Total	**$ 300**	**$ 148**	$ 441	$ 174
Industrials	Clarios	**299**	**189**	242	109
	DexKo	**66**	**20**	88	38
	Other [3]	**76**	**177**	85	78
	Total	**$ 441**	**$ 386**	$ 415	$ 225
Corporate and Other		**$ (60)**	**$ (168)**	$ (63)	$ (165)
Total BBU		**$ 1,068**	**$ 620**	$ 1,228	$ 566

1. Adjusted EFO for the six months ended June 30, 2024 included $50 million of other income related to a distribution at our entertainment operation and a $15 million net gain recognized on the disposition of our general partner interest and residential real estate brokerage portfolio. Adjusted EFO for the six months ended June 30, 2023 included a $67 million net gain recognized on the sale of our residential property management operation.
2. Results from nuclear technology services is included in Other in Infrastructure Services.
3. Adjusted EFO for the six months ended June 30, 2024 included an $81 million net gain recognized on the disposition of our Canadian aggregates production operation and a $69 million net gain recognized on the sale of public securities. Adjusted EFO for the six months ended June 30, 2023 included $64 million net gain recognized on the sale of public securities.

Summary of Segment & Significant Operations Performance

Brookfield

The following table presents selected financial results of our significant operations:

US$ millions, unaudited		Trailing Twelve Months Ended June 30, 2024		Trailing Twelve Months Ended June 30, 2023	
Segment	**Operations**	**Adjusted EBITDA**	**Adjusted EFO**	**Adjusted EBITDA**	**Adjusted EFO**
Business Services	Sagen	**$ 241**	**$ 149**	$ 177	$ 128
	CDK Global	**193**	**63**	194	84
	Healthscope	**49**	**8**	60	27
	Unidas (1)	**149**	**83**	105	58
	Other (2)	**220**	**255**	293	264
	Total	**$ 852**	**$ 558**	$ 829	$ 561
Infrastructure Services	Scientific Games	**140**	**43**	144	49
	Modulaire	**164**	**67**	155	76
	Altera	**199**	**114**	183	112
	Other (3)(4)	**209**	**1,820**	418	187
	Total	**$ 712**	**$ 2,044**	$ 900	$ 424
Industrials	Clarios	**616**	**342**	507	224
	DexKo	**127**	**36**	143	55
	Other (5)	**138**	**275**	223	196
	Total	**$ 881**	**$ 653**	$ 873	$ 475
Corporate and Other		**$ (114)**	**$ (338)**	$ (136)	$ (278)
Total BBU		**$ 2,331**	**$ 2,917**	$ 2,466	$ 1,182

1. Figures represent post-acquisition date results.
2. Adjusted EFO for the trailing twelve months ended June 30, 2024 included a $57 million net gain recognized on the partial disposition of our technology services operation, $50 million of other income related to a distribution at our entertainment operation and a $15 million net gain recognized on the disposition of our general partner interest and residential real estate brokerage portfolio. Adjusted EFO for the trailing twelve months ended June 30, 2023 included a $67 million net gain recognized on the disposition of our residential property management operation.
3. Results from nuclear technology services is included in Other in Infrastructure Services.
4. Adjusted EFO for the trailing twelve months ended June 30, 2024 included a $1.7 billion net gain recognized on the disposition of our nuclear technology services operation.
5. Adjusted EFO for the trailing twelve months ended June 30, 2024 included $133 million net gain primarily related to the sale of public securities, $81 million net gain recognized on the disposition of our Canadian aggregates production operation and a $41 million net gain recognized on the disposition of our automotive aftermarket parts remanufacturing operation. Adjusted EFO for the trailing twelve months ended June 30, 2023 included $93 million net gain recognized on the sale of public securities.

Summary of Proportionate Non-Recourse Borrowings, Net of Cash

Brookfield

The following table presents the selected proportionate non-recourse borrowings, net of cash of our significant operations:

US$ millions, unaudited		Proportionate Non-Recourse Borrowings, Net of Cash [1]	
Segment	**Operations**	**As at June 30, 2024**	As at December 31, 2023
Business Services	Sagen	**$ 268**	$ 215
	CDK Global	**1,336**	1,327
	Healthscope	**218**	217
	Unidas	**531**	553
Infrastructure Services	Scientific Games	**$ 1,099**	$ 1,066
	Modulaire	**1,017**	1,034
	Altera	**679**	832
Industrials	Clarios	**$ 2,218**	$ 2,265
	DexKo	**981**	998

1. Proportionate non-recourse borrowings, net of cash shown net of deferred financing costs, and exclude intercompany debt with consolidated subsidiaries of the partnership.

Proportionate Statements of Operating Results & Financial Position

Proportionate Statements of Operating Results

The following table presents our proportionate share [1] of the statements of operating results:

US$ millions, unaudited	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023
Revenues	**$ 3,639**	$ 4,128
Direct operating costs	**(3,336)**	(3,743)
General and administrative expenses	**(107)**	(148)
Interest income (expense), net	**(256)**	(326)
Equity accounted income (loss)	**10**	12
Impairment reversal (expense), net	**—**	(3)
Gain (loss) on acquisitions / dispositions, net	**81**	22
Other income (expense), net	**(84)**	23
Income (loss) before income tax	**$ (53)**	$ (35)
Income tax (expense) recovery		
Current	**(42)**	(81)
Deferred	**88**	90
	$ (7)	$ (26)
Attributable to:		
Limited partners	**$ (7)**	$ (16)
Redemption-exchange units	**(6)**	(16)
BBUC exchangeable shares	**(7)**	(16)
Preferred securities	**13**	22

Financial Performance - Three Months Ended June 30, 2024

- **Revenues and direct operating costs** decreased by $489 million and $407 million, respectively, primarily due to lost contributions from recent dispositions including our nuclear technology services operation and automotive aftermarket parts remanufacturing operation.
- **Interest expense, net** decreased by $70 million, due to reduced borrowings in our operations primarily from recent dispositions and the impact of refinancings to lower the cost of debt at select operations.
- **Gain on acquisitions/dispositions, net** of $81 million relates to a gain recognized on the disposition of our Canadian aggregates production operation.
- **Other expense, net** of $84 million primarily relates to provisions recorded at our construction operation.
- **Total income tax recovery** increased by $37 million primarily due to higher income tax recovery in our advanced energy storage operation and lower taxable income at dealer software and technology services.

1. Information presented on a proportionate basis represent the partnership's share of net income and therefore may differ from definitions used by other entities. For further information, see "Definitions" section at the end of this Supplemental Information.

Proportionate Statements of Financial Position

Brookfield

The following table presents our proportionate share [1] of the statements of financial position:

US$ millions, unaudited		As at June 30, 2024		As at December 31, 2023
Assets				
Cash and cash equivalents	**$**	**1,122**	$	1,274
Financial assets		**5,277**		5,155
Accounts and other receivable, net		**2,634**		2,551
Inventory and other assets		**1,651**		1,594
Property, plant and equipment		**5,394**		5,452
Deferred income tax assets		**582**		514
Intangible assets		**5,678**		6,021
Equity accounted investments		**1,291**		1,321
Goodwill		**4,343**		4,428
	$	**27,972**	$	28,310
Liabilities				
Corporate borrowings	**$**	**1,882**	$	1,440
Accounts payable and other		**6,591**		6,501
Non-recourse borrowings in subsidiaries of the partnership		**12,457**		13,134
Deferred income tax liabilities		**848**		919
	$	**21,778**	$	21,994
Equity attributable to Unitholders	**$**	**5,454**	$	5,576
Preferred securities		**740**		740
	$	**6,194**	$	6,316

Financial Position as at June 30, 2024

- **Cash and cash equivalents** included $618 million in our Business Services segment, $223 million in our Industrials segment, $195 million in our Infrastructure Services segment and $86 million of Corporate cash.
- **Financial assets** increased by $122 million, primarily due to portfolio growth in our Australian asset manager and lender and Indian non-bank financial services operation.
- **Intangible assets** decreased by $343 million, primarily due to the regular amortization of intangibles and foreign exchange movements.
- **Corporate borrowings** increased by $442 million, primarily due to drawdowns on our corporate credit facilities related to recent acquisitions.
- **Non-recourse borrowings in subsidiaries of Brookfield Business Partners** decreased by $677 million, primarily due to debt repayments in our Business Services and Infrastructure Services segments.

1. Information presented on a proportionate basis represent the partnership's share of net assets and therefore may differ from definitions used by other entities. For further information, see "Definitions" section at the end of this Supplemental Information.

Reconciliation from Adjusted EBITDA to Adjusted EFO

Brookfield

The following table presents our reconciliation from Adjusted EBITDA to Adjusted EFO:

US$ millions, unaudited	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023
Adjusted EBITDA	**$ 524**	$ 606
Gain (loss) on acquisitions/dispositions	**81**	—
Gain (loss) on acquisitions / dispositions, net recorded in equity	**22**	8
Other income (expense), net	**5**	7
Equity accounted interest, tax and other expense	**(32)**	(29)
Interest income (expense), net		
Attributable to non-recourse borrowings at operating subsidiaries	**(218)**	(292)
Attributable to corporate borrowings	**(38)**	(34)
Current income tax (expense) recovery, net	**(42)**	(59)
Preferred equity distributions	**(13)**	(22)
Adjusted EFO	**$ 289**	$ 185

Financial Results - Three Months Ended June 30, 2024

- **Adjusted EBITDA** for the three months ended June 30, 2024 decreased to $524 million compared to $606 million in the prior period, reflecting reduced contribution from our Infrastructure Services segment due to the disposition of our nuclear technology services operation and from our Business Services segment. Excluding contribution from disposed operations, prior period Adjusted EBITDA was $550 million.
- **Adjusted EFO** for the three months ended June 30, 2024 increased to $289 million compared to $185 million in the prior period. Adjusted EFO in the current period included $103 million of net gains, primarily related to the disposition of our Canadian aggregates production operation and sale of public securities.
  - **Interest expense, net, attributable to non-recourse borrowings at operating subsidiaries** decreased $74 million compared to the prior period, due to reduced borrowings in our operations primarily from recent dispositions and the impact of refinancings to lower the cost of debt at select operations.
  - **Current income tax expense, net** decreased $17 million compared to the prior period, primarily due to lower taxable income at our dealer software and technology services.
  - **Preferred equity distributions** decreased $9 million compared to the prior period due to the partial redemption of preferred equity securities held by Brookfield Corporation during Q4 2023.

Appendix

Acquisitions since Spin-Off

The following table summarizes acquisitions we have completed since spin-off of the partnership on June 20, 2016:

Segment	Operations	Acquisition Date	Invested Capital [1]	Economic Ownership Interest [2]
Business Services	Greenergy	May 2017	$88 million	18%
	One Toronto Gaming	January 2018	$6 million	14%
	Imagine	October 2018	$85 million	36%
	Healthscope	June 2019	$293 million	28%
	Unidas	July 2019	$206 million	35%
	Sagen	December 2019	$855 million	41%
	IndoStar	July 2020	$105 million	20%
	Everise	January 2021	$61 million	17%
	La Trobe	May 2022	$212 million	35%
	CDK Global	July 2022	$732 million	26%
	Magnati	August 2022	$68 million	22%
	Nielsen	October 2022	$400 million	7% [3]
Infrastructure Services	Altera	September 2017	$800 million	53%
	BrandSafway	January 2020	$636 million	18%
	Modulaire	December 2021	$460 million	28%
	Scientific Games	April 2022	$785 million	33%
Industrials	BRK Ambiental	April 2017	$421 million	26%
	Schoeller	May 2018	$79 million	14%
	Clarios	April 2019	$820 million	28%
	Aldo	August 2021	$181 million	35%
	DexKo	October 2021	$474 million	33%
	Cupa	May 2022	$100 million	23%

1. Figures presented are attributable to Unitholders.
2. As at June 30, 2024, does not include impact of subsequent events, unless otherwise noted.
3. Investment in a convertible preferred security interest in Nielsen. The economic ownership interest represents our common equity interest on an as-converted basis.

Summary of Proportionate Results by Quarter

Brookfield

The following table presents our proportionate results from operations for the six most recent quarters:

	2024		2023			
US$ millions, unaudited	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Revenues	**$ 3,639**	$ 3,524	$ 3,996	$ 4,336	$ 4,128	$ 4,175
Direct operating costs	**(3,336)**	(3,191)	(3,636)	(3,902)	(3,743)	(3,765)
General and administrative expenses	**(107)**	(114)	(122)	(149)	(148)	(151)
Interest income (expense), net	**(256)**	(261)	(291)	(330)	(326)	(292)
Equity accounted income (loss)	**10**	3	16	8	12	8
Impairment reversal (expense), net	**—**	5	(239)	(26)	(3)	—
Gain (loss) on acquisitions / dispositions, net	**81**	15	1,928	41	22	73
Other income (expense), net	**(84)**	67	(282)	(28)	23	68
Income (loss) before income tax	**$ (53)**	$ 48	$ 1,370	$ (50)	$ (35)	$ 116
Income tax (expense) recovery						
Current	**(42)**	(30)	(60)	(65)	(81)	(45)
Deferred	**88**	43	130	93	90	25
	$ (7)	$ 61	$ 1,440	$ (22)	$ (26)	$ 96
Attributable to:						
Limited partners	**$ (7)**	$ 17	$ 488	$ (15)	$ (16)	$ 25
Redemption-exchange units	**(6)**	15	457	(14)	(16)	24
BBUC exchangeable shares	**(7)**	16	478	(15)	(16)	25
Preferred securities	**13**	13	17	22	22	22

Revenues and expenses vary from quarter to quarter primarily due to acquisitions and dispositions of businesses, fluctuations of foreign exchange rates, business and economic cycles, and weather and seasonality in underlying operations. Broader economic factors can have a significant impact on a number of our operations. Net income (loss) is impacted by periodic gains and losses on acquisitions, monetizations and impairments.

Segment Reconciliation - Three Months Ended June 30, 2024

Brookfield

Proportionate Operating Results to Consolidated Operating Results

For the three months ended June 30, 2024 US$ millions, unaudited	Attributable to Unitholders: Business Services	Infrastructure Services	Industrials	Corporate and Other	Total	Attributable to Others	As per IFRS Financials
Revenues	$ 2,353	$ 322	$ 964	$ —	**$ 3,639**	$ 8,307	**$ 11,946**
Direct operating costs [1]	(2,154)	(189)	(739)	(3)	**(3,085)**	(7,034)	**(10,119)**
General and administrative expenses	(35)	(20)	(27)	(25)	**(107)**	(200)	**(307)**
Equity accounted Adjusted EBITDA [2]	18	44	15	—	**77**	43	**120**
Adjusted EBITDA	**$ 182**	**$ 157**	**$ 213**	**$ (28)**	**$ 524**		
Gain (loss) on acquisitions / dispositions, net [3]	—	—	81	—	**81**	3	**84**
Gain (loss) on acquisitions / dispositions, net recorded in equity [4]	—	—	22	—	**22**	—	**22**
Other income (expense), net [5]	2	—	3	—	**5**	8	**13**
Interest income (expense), net	(72)	(60)	(86)	(38)	**(256)**	(522)	**(778)**
Current income tax (expense) recovery	(17)	(3)	(22)	—	**(42)**	(80)	**(122)**
Preferred equity distributions	—	—	—	(13)	**(13)**	13	**—**
Equity accounted interest, tax and other expense [2]	(9)	(18)	(5)	—	**(32)**	(7)	**(39)**
Adjusted EFO	**$ 86**	**$ 76**	**$ 206**	**$ (79)**	**$ 289**		
Depreciation and amortization expense [1]					**(251)**	(558)	**(809)**
Gain (loss) on acquisitions / dispositions, net recorded in equity [4]					**(22)**	—	**(22)**
Other income (expense), net [5]					**(89)**	(24)	**(113)**
Deferred income tax (expense) recovery					**88**	151	**239**
Non-cash items attributable to equity accounted investments [2]					**(35)**	(15)	**(50)**
Net income (loss)					**$ (20)**	**$ 85**	**$ 65**

1. The sum of these amounts equates to direct operating costs of $10,928 million as per the unaudited interim condensed consolidated statements of operating results.
2. The sum of these amounts equates to equity accounted income (loss), net of $31 million as per the unaudited interim condensed consolidated statements of operating results.
3. Gain (loss) on acquisitions/dispositions in Adjusted EFO of $81 million represents the partnership's economic ownership interest in gains related to the disposition of the partnership's Canadian aggregates production operation.
4. Gain (loss) on acquisitions/dispositions, net recorded in equity in Adjusted EFO of $22 million represents the partnership's economic ownership interest in gains related to the sale of public securities.
5. The sum of these amounts equates to other income (expense), net of $(100) million as per the unaudited interim condensed consolidated statements of operating results. Other income (expense), net at the partnership's economic ownership interest that is excluded from Adjusted EFO of $(89) million includes $82 million of other expenses relating to provisions recorded at our construction operation, $13 million of net gains on debt modification and extinguishment, $13 million of business separation expenses, stand-up costs and restructuring charges, $8 million of unrealized net revaluation gains, $5 million of transaction costs and $10 million of other expenses.

Segment Reconciliation - Three Months Ended June 30, 2023

Brookfield

Proportionate Operating Results to Consolidated Operating Results

For the three months ended June 30, 2023 US$ millions, unaudited	Attributable to Unitholders						
	Business Services	Infrastructure Services	Industrials	Corporate and Other	Total	Attributable to Others	As per IFRS Financials
Revenues	$ 2,255	$ 789	$ 1,084	$ —	$ 4,128	$ 9,378	$ 13,506
Direct operating costs [1]	(2,004)	(574)	(868)	(3)	(3,449)	(7,974)	(11,423)
General and administrative expenses	(43)	(43)	(36)	(26)	(148)	(250)	(398)
Equity accounted Adjusted EBITDA [2]	15	44	16	—	75	36	111
Adjusted EBITDA	$ 223	$ 216	$ 196	$ (29)	$ 606		
Gain (loss) on acquisitions / dispositions, net [3]	22	—	—	—	22	65	87
Gain (loss) on acquisitions / dispositions, net recorded in equity [4]	8	—	—	—	8	23	31
Other income (expense), net [5]	—	6	1	—	7	9	16
Interest income (expense), net	(79)	(109)	(104)	(34)	(326)	(606)	(932)
Current income tax (expense) recovery	(51)	(6)	(24)	—	(81)	(186)	(267)
Preferred equity distributions	—	—	—	(22)	(22)	22	—
Equity accounted interest, tax and other expense [2]	(4)	(19)	(6)	—	(29)	(7)	(36)
Adjusted EFO	$ 119	$ 88	$ 63	$ (85)	$ 185		
Depreciation and amortization expense [1]					(294)	(613)	(907)
Impairment reversal (expense), net					(3)	(4)	(7)
Gain (loss) on acquisitions / dispositions, net recorded in equity [4]					(8)	(23)	(31)
Other income (expense), net [5]					16	106	122
Deferred income tax (expense) recovery					90	126	216
Non-cash items attributable to equity accounted investments [2]					(34)	(13)	(47)
Net income (loss)					$ (48)	$ 89	$ 41

1. The sum of these amounts equates to direct operating costs of $12,330 million as per the unaudited interim condensed consolidated statements of operating results.
2. The sum of these amounts equates to equity accounted income (loss), net of $28 million as per the unaudited interim condensed consolidated statements of operating results.
3. Gain (loss) on acquisitions/dispositions, net recorded in Adjusted EFO of $22 million represents the partnership's economic ownership interest in gains on dispositions related to the partnership's dealer software and technology services' sale of a non-core division servicing the heavy equipment sector.
4. Gain (loss) on acquisitions/dispositions, net recorded in equity in Adjusted EFO of $8 million represents the partnership's economic ownership interest in realized gains related to secured debentures.
5. The sum of these amounts equates to other income (expense), net of $138 million as per the unaudited interim condensed consolidated statements of operating results. Other income (expense), net at the partnership's economic ownership interest that is excluded from Adjusted EFO of $16 million includes $44 million of net gains on debt modification and extinguishment, $20 million of business separation expenses, stand-up costs and restructuring charges, $17 million of transaction costs, $19 million of net revaluation gains and $10 million of other expenses.

Segment Reconciliation - Six Months Ended June 30, 2024

Brookfield

Proportionate Operating Results to Consolidated Operating Results

For the six months ended June 30, 2024 US$ millions, unaudited	Attributable to Unitholders						
	Business Services	Infrastructure Services	Industrials	Corporate and Other	Total	Attributable to Others	As per IFRS Financials
Revenues	$ 4,536	$ 629	$ 1,998	$ —	**$ 7,163**	$ 16,798	**$ 23,961**
Direct operating costs (1)	(4,111)	(373)	(1,532)	(7)	**(6,023)**	(14,166)	**(20,189)**
General and administrative expenses	(73)	(39)	(56)	(53)	**(221)**	(403)	**(624)**
Equity accounted Adjusted EBITDA (2)	35	83	31	—	**149**	91	**240**
Adjusted EBITDA	**$ 387**	**$ 300**	**$ 441**	**$ (60)**	**$ 1,068**		
Gain (loss) on acquisitions / dispositions, net (3)	15	—	81	—	**96**	3	**99**
Gain (loss) on acquisitions / dispositions, net recorded in equity (4)	—	—	69	—	**69**	13	**82**
Other income (expense), net (5)	51	12	4	—	**67**	6	**73**
Interest income (expense), net	(143)	(123)	(176)	(75)	**(517)**	(1,057)	**(1,574)**
Current income tax (expense) recovery	(38)	(4)	(23)	(7)	**(72)**	(140)	**(212)**
Preferred equity distributions	—	—	—	(26)	**(26)**	26	**—**
Equity accounted interest and tax expense (2)	(18)	(37)	(10)	—	**(65)**	(20)	**(85)**
Adjusted EFO	**$ 254**	**$ 148**	**$ 386**	**$ (168)**	**$ 620**		
Depreciation and amortization expense (1)					**(504)**	(1,113)	**(1,617)**
Impairment reversal (expense), net					**5**	5	**10**
Gain (loss) on acquisitions / dispositions, net recorded in equity (4)					**(69)**	(13)	**(82)**
Other income (expense), net (5)					**(84)**	27	**(57)**
Deferred income tax (expense) recovery					**131**	213	**344**
Non-cash items attributable to equity accounted investments (2)					**(71)**	(30)	**(101)**
Net income (loss)					**$ 28**	**$ 240**	**$ 268**

1. The sum of these amounts equates to direct operating costs of $21,806 million as per the unaudited interim condensed consolidated statements of operating results.
2. The sum of these amounts equates to equity accounted income (loss), net of $54 million as per the unaudited interim condensed consolidated statements of operating results.
3. Gain (loss) on acquisitions/dispositions, net recorded in Adjusted EFO of $96 million represents the partnership's economic ownership interest in gains of $81 million from the disposition of the partnership's Canadian aggregates production operation and $15 million from the disposition of the partnership's real estate services operation.
4. Gain (loss) on acquisitions/dispositions, net recorded in equity in Adjusted EFO of $69 million represents the partnership's economic interest in gains primarily related to the sale of public securities.
5. The sum of these amounts equates to other income (expense), net of $16 million as per the unaudited interim condensed consolidated statements of operating results. Other income (expense), net at the partnership's economic ownership interest that is excluded from Adjusted EFO of $(84) million includes $82 million of other expenses relating to provisions recorded at our construction operation, $46 million of unrealized net revaluation gains, $18 million of transaction costs, $18 million of business separation expenses, stand-up costs and restructuring charges, $8 million of net gains on debt modification and extinguishment, and $20 million of other expenses.

Segment Reconciliation - Six Months Ended June 30, 2023

Brookfield

Proportionate Operating Results to Consolidated Operating Results

For the six months ended June 30, 2023 US$ millions, unaudited	Attributable to Unitholders						
	Business Services	Infrastructure Services	Industrials	Corporate and Other	Total	Attributable to Others	As per IFRS Financials
Revenues	$ 4,465	$ 1,601	$ 2,237	$ —	$ 8,303	$ 18,961	$ 27,264
Direct operating costs [1]	(3,971)	(1,160)	(1,780)	(11)	(6,922)	(16,067)	(22,989)
General and administrative expenses	(88)	(86)	(73)	(52)	(299)	(500)	(799)
Equity accounted Adjusted EBITDA [2]	29	86	31	—	146	81	227
Adjusted EBITDA	$ 435	$ 441	$ 415	$ (63)	$ 1,228		
Gain (loss) on acquisitions / dispositions, net [3]	89	6	—	—	95	73	168
Gain (loss) on acquisitions / dispositions, net recorded in equity [4]	14	—	64	—	78	147	225
Other income (expense), net [5]	—	6	2	—	8	11	19
Interest income (expense), net	(140)	(212)	(201)	(65)	(618)	(1,179)	(1,797)
Current income tax (expense) recovery	(59)	(30)	(44)	7	(126)	(267)	(393)
Preferred equity distributions	—	—	—	(44)	(44)	44	—
Equity accounted interest and tax expense [2]	(7)	(37)	(11)	—	(55)	(16)	(71)
Adjusted EFO	$ 332	$ 174	$ 225	$ (165)	$ 566		
Depreciation and amortization expense [1]					(586)	(1,221)	(1,807)
Impairment reversal (expense), net					(3)	(4)	(7)
Gain (loss) on acquisitions / dispositions, net recorded in equity [4]					(78)	(147)	(225)
Other income (expense), net [5]					83	165	248
Deferred income tax (expense) recovery					115	169	284
Non-cash items attributable to equity accounted investments [2]					(71)	(32)	(103)
Net income (loss)					$ 26	$ 218	$ 244

1. The sum of these amounts equates to direct operating costs of $24,796 million as per the unaudited interim condensed consolidated statements of operating results.
2. The sum of these amounts equates to equity accounted income (loss), net of $53 million as per the unaudited interim condensed consolidated statements of operating results.
3. Gain (loss) on acquisitions/dispositions in Adjusted EFO of $95 million represents the partnership's economic ownership interest in gains relating to $67 million from the disposition of the partnership's residential property management operations, $22 million from the dispositions related to the partnership's dealer software and technology services operations' sale of a non-core division servicing the heavy equipment sector, and $6 million from the disposition of the partnership's nuclear technology services operations' power delivery business.
4. Gain (loss) on acquisitions/dispositions, net recorded in equity in Adjusted EFO of $78 million represents the partnership's economic interest in gains of $8 million related to secured debentures and $70 million related to gains on the sale of the public securities.
5. The sum of these amounts equates to other income (expense), net of $267 million as per the unaudited interim condensed consolidated statements of operating results. Other income (expense), net at the partnership's economic ownership interest that is excluded from Adjusted EFO of $83 million includes $147 million of net gains on debt modification and extinguishment, $34 million of business separation expenses, stand-up costs and restructuring charges, $26 million of transaction costs, $18 million of net revaluation gains, and $22 million of other expenses.

Proportionate Statements of Financial Position

Brookfield

Proportionate Financial Position to Consolidated Financial Position

US$ millions, unaudited	As at					
	June 30, 2024			December 31, 2023		
	Attributable to Unitholders	Attributable to Others	As per IFRS Financials	Attributable to Unitholders	Attributable to Others	As per IFRS Financials
Assets						
Cash and cash equivalents	**$ 1,122**	$ 1,837	$ 2,959	$ 1,274	$ 1,978	$ 3,252
Financial assets	**5,277**	8,545	13,822	5,155	8,021	13,176
Accounts and other receivable, net	**2,634**	3,973	6,607	2,551	4,012	6,563
Inventory and other assets	**1,651**	3,976	5,627	1,594	3,727	5,321
Property, plant and equipment	**5,394**	10,036	15,430	5,452	10,272	15,724
Deferred income tax assets	**582**	806	1,388	514	706	1,220
Intangible assets	**5,678**	13,996	19,674	6,021	14,825	20,846
Equity accounted investments	**1,291**	813	2,104	1,321	833	2,154
Goodwill	**4,343**	9,567	13,910	4,428	9,701	14,129
	$ 27,972	$ 53,549	$ 81,521	$ 28,310	$ 54,075	$ 82,385
Liabilities						
Corporate borrowings	**$ 1,882**	$ —	$ 1,882	$ 1,440	$ —	$ 1,440
Accounts payable and other	**6,591**	11,625	18,216	6,501	11,877	18,378
Non-recourse borrowings in subsidiaries of Brookfield Business Partners	**12,457**	27,783	40,240	13,134	27,675	40,809
Deferred income tax liabilities	**848**	2,131	2,979	919	2,307	3,226
	$ 21,778	$ 41,539	$ 63,317	$ 21,994	$ 41,859	$ 63,853

Reconciliation of Non-IFRS Measures to IFRS Measures

Brookfield

Total Equity Reconciliation to Equity Attributable to Unitholders

US$ millions, unaudited	As at Jun 30, 2024	As at Dec 31, 2023
Total equity	**$ 18,204**	$ 18,532
Less: Preferred securities	**740**	740
Less: Interest of others in operating subsidiaries	**12,010**	12,216
Equity attributable to Unitholders	**$ 5,454**	$ 5,576

Proportionate Net Borrowings Reconciliation to Consolidated Net Borrowings

US$ millions, unaudited	Attributable to Unitholders: Business Services	Infrastructure Services	Industrials	Corporate and Other	Total	Attributable to Others	As per IFRS Financials
Cash							
June 30, 2024	**$ 618**	**$ 195**	**$ 223**	**$ 86**	**$ 1,122**	**$ 1,837**	**$ 2,959**
December 31, 2023	749	189	224	112	1,274	1,978	3,252
Borrowings							
June 30, 2024	**$ 5,374**	**$ 2,986**	**$ 4,097**	**$ 1,882**	**$ 14,339**	**$ 27,783**	**$ 42,122**
December 31, 2023	5,813	3,118	4,203	1,440	14,574	27,675	42,249
Borrowings, net of cash							
June 30, 2024	**$ 4,756**	**$ 2,791**	**$ 3,874**	**$ 1,796**	**$ 13,217**	**$ 25,946**	**$ 39,163**
December 31, 2023	5,064	2,929	3,979	1,328	13,300	25,697	38,997

Definitions

- Adjusted EBITDA is a non-IFRS measure of operating performance presented as net income and equity accounted income at the partnership's economic ownership interest in consolidated subsidiaries and equity accounted investments, respectively, excluding the impact of interest income (expense), net, income taxes, depreciation and amortization, gains (losses) on acquisition/disposition, net, transaction costs, restructuring charges, revaluation gains or losses, impairment expenses or reversals, other income (expense), net and distributions to preferred equity holders. The partnership's economic ownership interest in consolidated subsidiaries and equity accounted investments excludes amounts attributable to non-controlling interests consistent with how the partnership determines net income attributable to non-controlling interests in its unaudited interim condensed consolidated statements of operating results. The partnership believes that Adjusted EBITDA provides a comprehensive understanding of the ability of its businesses to generate recurring earnings which allows users to better understand and evaluate the underlying financial performance of the partnership's operations and excludes items that the partnership believes do not directly relate to revenue earning activities and are not normal, recurring items necessary for business operations.

- Adjusted EFO is the partnership's segment measure of profit or loss and is presented as net income and equity accounted income at the partnership's economic ownership interest in consolidated subsidiaries and equity accounted investments, respectively, excluding the impact of depreciation and amortization, deferred income taxes, transaction costs, restructuring charges, unrealized revaluation gains or losses, impairment expenses or reversals, and other income or expense items that are not directly related to revenue generating activities. The partnership's economic ownership interest in consolidated subsidiaries excludes amounts attributable to non-controlling interests consistent with how the partnership determines net income attributable to non-controlling interests in its unaudited interim condensed consolidated statements of operating results. In order to provide additional insight regarding the partnership's operating performance over the lifecycle of an investment, Adjusted EFO includes the impact of preferred equity distributions and realized disposition gains or losses, recorded in net income, other comprehensive income, or directly in equity, such as ownership changes. Adjusted EFO does not include legal and other provisions that may occur from time to time in the partnership's operations and that are one-time or non-recurring and not directly tied to the partnership's operations, such as those for litigation or contingencies. Adjusted EFO includes expected credit losses and bad debt allowances recorded in the normal course of the partnership's operations. Adjusted EFO allows the partnership to evaluate its segments on the basis of return on invested capital generated by its operations and allows the partnership to evaluate the performance of its segments on a levered basis.

- Equity accounted Adjusted EBITDA corresponds to the Adjusted EBITDA attributable to the partnership that is generated by its investments in associates and joint ventures accounted for using the equity method.

- Equity attributable to Unitholders is exclusive of the equity interest of others in our operating subsidiaries.

- Net income (loss) attributable to Unitholders is exclusive of the net income (loss) attributable to others in our operating subsidiaries.

- Unitholders are defined as limited partnership unitholders, general partnership unitholders, redemption-exchange unitholders, special limited partnership unitholders and BBUC exchangeable shareholders.

- Units are defined as limited partnership units, general partnership units, redemption-exchange units, special limited partnership units and BBUC exchangeable shares.

- Net debt is calculated by subtracting cash and cash equivalents from borrowings.

- Information on a proportionate basis reflects the partnership's economic ownership interest in our consolidated subsidiaries which we consolidate and account for using the equity method whereby we either control or exercise significant influence or joint control over the investment, respectively.