

Brookfield Corporation

NYSE/TSX: BN · ISIN CA11271J1075 · Alternative asset manager, insurer and owner-operator (holding company)

Billen Capital
Research

Initiating Coverage
30 September 2026

RATING

ACCUMULATE

TARGET PRICE (12-month)

USD 40.00

FAIR VALUE RANGE

USD 39.96 – 44.95 (NAV 49.95 less a 20% / 10% structural discount)

CURRENT PRICE

USD 36.49 as at 29 September 2026, source Fiscal.ai

UPSIDE TO TP

9.6%

CONVICTION

3 of 5

Market cap USD 86.3bn (2,366.0m fully diluted shares, 30 Jun 2026) · Enterprise value not meaningful for a holding company; corporate debt USD 14.7bn and perpetual preferreds USD 3.5bn against corporate liquidity USD 5.6bn · 59% of our NAV is marked at listed market prices · Dual-class: Class B (BAM Partnership) elects half the board · 52-week range USD 36.27–49.17 (closing) · Dividend USD 0.28 (0.8% yield) · Next catalyst: Q3-26 results, 12 November 2026 (estimated, Fiscal.ai)

The one variable that decides this case: whether Brookfield converts its reported carried interest into cash. The plan needs USD 5bn of net realised carry in three years, about USD 417m a quarter; the last quarter delivered USD 121m and the last twelve months USD 520m. Each USD 0.5bn of normalised annual carry is worth USD 1.69 per share at our 8x.

A 27% discount to a conservative NAV, with the plan priced at a third of its growth. Our sum of the parts, built on the CIO's eight valuation judgements, gives USD 49.95 per share, 25% below management's USD 66.64. At USD 36.49 the price implies distributable earnings per share growing 6.3% a year for ten years, against 13.9% delivered over 2020–2025 and 17% in the plan. The probability-weighted twelve-month value is USD 40.17; the five-year probability-weighted return is 13.3% a year against a 10% hurdle. The upside/downside ratio is 3.0. What holds the rating at ACCUMULATE rather than BUY is realisation: carry, the Wealth Solutions spread and the level-3 marks have not yet been proven in cash.

Author: Billen Capital Research (Pär Magnus). Research for private investment purposes. Not investment advice. All figures in USD unless stated; [BCR est.] marks Billen Capital Research estimates; [M] marks management targets. Reported results, management targets, consensus and our own estimates are labelled separately throughout. Eight SOTP valuation judgements were selected by the CIO on 30 September 2026 (record BN-OJ-CIO-002). Full disclaimer in Appendix A8.

Investment summary

THESIS IN FIVE FALSIFIABLE CLAIMS

- 1. The price discounts little of the plan and less than the history.** At USD 36.49 and a 10% cost of equity the price implies distributable earnings (DE) before realisations per share compounding at 6.3% a year for ten years if the discount narrows to 20%, or 7.4% if it stays at 27%. Delivered 2020–2025: 13.9% [AR25 p.3; BCR est.]. Plan: 17% [ID26-S slide 47]. Our base case: 8.9%. Falsified if DE before realisations per share grows less than 8% year on year in two consecutive quarters (Q2-26: USD 0.61 against 0.53, +15%) [S-Q2-26 p.6].
- 2. The discount is wider than the structure justifies.** The shares trade 26.9% below our NAV and 45% below management's blended capital. Our NAV already deducts capitalised corporate cost (USD 5.3bn), a latent tax charge (USD 2.0bn) and haircuts on real estate and carry; the remaining structural discount we can defend is 10–20% [BCR est.]. Falsified if the discount to our NAV is still above 30% two quarters after the BN/BWS combination closes (expected late Q4-26) [INT-Q2 p.5].
- 3. Carried interest is the weakest link and we pay for it conservatively.** Carry is 15.3% of our NAV (USD 18.1bn) against USD 34.0bn in management's plan value. Realised net carry was USD 520m in the last twelve months against a plan rate of USD 1.67bn a year [S-Q2-26 p.6; ID26-S slide 84]. Falsified if realised net carry averages below USD 250m a quarter over Q3-26 to Q2-27.
- 4. Wealth Solutions earns its multiple only if the spread is real.** We value it at 11x annualised DE of USD 2,030m, not management's 15x. The LTM gross spread of 1.94% includes 0.59 percentage points of gains on real-asset strategies; without them it is 1.35%, 12 basis points below Athene's 1.47% net investment spread (BWS LTM, Athene Q2) [S-Q2-26 p.18; Apollo Q2-26]. Falsified if the gross spread falls below 1.6% or the real-asset gain component exceeds 0.8 percentage points.
- 5. Buybacks at a 27% discount compound per-share value.** Brookfield bought back USD 1.0bn a year in 2024 and 2025 [S-Q4-25 p.8]. At today's discount each USD 1bn retired adds about 0.3% to NAV per share [BCR est.]. Falsified if buybacks fall below USD 500m over any rolling four quarters while the discount exceeds 20%.

TARGET PRICE AND METHOD

The target price is USD 40.00, the probability-weighted twelve-month price across five scenarios (severe downside 10%, bear 25%, base 40%, bull 20%, blue-sky 5%), rounded to USD 0.50. Each scenario re-marks every SOTP component, projects it annually, returns cash to shareholders through dividends and buybacks, and applies a scenario-specific discount to NAV. The weighted value is 5.9% below the base case, as it should be. The fair-value range is today's NAV less a structural discount of 10–20%.

Exhibit 1 — Expected return decomposition

% a year (USD); base case unless stated

Component	12 months	5 years, annualised
NAV per share growth (components, retained cash, buyback accretion) [BCR est.]	13.4%	11.7%
Discount narrowing (27% → 24.6% in year 1, 20% from year 3)	3.2%	1.8%
Dividend and interaction	1.2%	0.8%
Total expected return, base case	17.8%	14.3%
Total expected return on the probability-weighted value	10.9%	13.3%

Source: engine_BN; workbook tabs Scenarios, Returns; Billen Capital Research estimates.

Takeaway: NAV growth is 82% of the five-year base-case return; re-rating adds 1.8 percentage points a year, so the case does not depend on the discount closing.

THREE REASONS IT WORKS

1. Fee-bearing capital compounds at 14% or more (Q2-26: +19% to USD 672bn). Confirmed by the quarterly supplemental.
2. Carry converts: realised net carry reaches USD 400m a quarter by mid-2027. Confirmed by the DE reconciliation.
3. The discount narrows once New BN is a single, index-eligible security. Confirmed by the price against our monthly NAV.

THREE REASONS IT FAILS

1. The marks are wrong: real estate at IFRS fair value (USD 28.0bn) and direct investments (USD 10.6bn) are level-3. Confirmed by realisations below carrying value (BSREP IV: 7% gross IRR).
2. Wealth Solutions spread compresses as Just Group (0.8% spread) grows and real-asset gains fade. Confirmed by the spread table on supplemental p.18.

3. **BAM de-rates:** BAM trades at 25.7x DE against KKR 16.4x and Apollo 13.7x. BAM is 44% of our NAV; a fall to 17x takes USD 7.68 off NAV per share.

KEY MONITORABLES (CURRENT LEVEL)

DE before realisations per share USD 0.61 in Q2-26 (+15% y/y) · fee-bearing capital USD 672bn (+19%) · realised net carry USD 121m (Q2-26), USD 520m LTM · accumulated unrealised carry USD 6,778m net · Wealth Solutions annualised DE USD 2,030m · gross spread 1.94% LTM · corporate liquidity USD 5.6bn · buybacks USD 695m LTM · company blended capital USD 66.64 per share · discount to our NAV 26.9%. Thresholds in Section M.

Flag line. 10.2% of our NAV (the carry franchise, USD 12.0bn) rests on carry that has not yet been generated, and a further 28.0% on level-3 fair values. The first-order risk statistic above its threshold is realised carry: USD 121m in Q2-26 against a USD 400m quarterly green line.

What would make us wrong

1. **Earnings growth:** DE before realisations per share growing below 8% y/y in two consecutive quarters before Q2-27. The price-implied rate would then be the right rate, and our base case too high by about USD 8 per share on the five-year path.
2. **Carry:** realised net carry averaging below USD 250m a quarter over Q3-26 to Q2-27, visible in the quarterly DE reconciliation. The franchise value of USD 12.0bn would then be unsupported.
3. **Wealth Solutions:** gross spread below 1.6% or real-asset gains above 0.8 percentage points in any quarter to Q4-27 (supplemental p.18). The 11x multiple would then be too high.
4. **Marks:** a realisation or write-down in real estate or direct investments more than 15% below carrying value on a disclosed asset above USD 1bn by Q4-27. Our 20% real-estate haircut would then be insufficient.
5. **Discount:** discount to our NAV above 30% two quarters after the BN/BWS combination closes. The re-rating leg (about 2 points a year) would then be gone and the rating would move to HOLD.

Contents

Investment summary and what would make us wrong.....	2
A0 · Security, structure and cash path	6
A · Company and business model	7
B · Industry structure and value chain	8
C · Segment deep dives	9
D · Competitive landscape	12
E · Technology, AI and disruption.....	13
F · Financial analysis	13
F2 · Earnings quality and disclosure audit.....	14
F3 · From consolidated IFRS to the shareholder	15
G · Capital allocation.....	15
G2 · Financing, covenants and solvency	16
G3 · Per-share progression	16
G4 · Management scorecard	17
H0 · Q2-26 read-through	17
H1 · Market expectations and variant perception	17
H · Forecasts	18
I · Valuation.....	19
I2 · Base rates	24
J · Scenarios and sensitivities	24
K · Risk register, bear case, pre-mortem	28
K2 · Permanent impairment	29
L · ESG and governance	29
M · Monitoring dashboard	29
N · Conclusion, rating, decision rule	30
O · Owner's manual	30
P · Unresolved questions.....	31
Q · Portfolio fit (SEK)	31
Appendices A1–A10.....	32
Self-audit.....	34

List of exhibits

1. Expected return decomposition	2	30. Base-case projection	18
2. Ownership map, 30 June 2026.....	6	31. Sum of the parts	19
3. From the consolidated balance sheet to the shareholder	6	32. From the parts to NAV per share	20
4. Cash path: where BN's distributable earnings come from	7	33. Our NAV against management's plan value, line by line	20
5. Ten years of Brookfield in per-share terms	7	34. Management plan value against our NAV by line.....	21
6. Fee-bearing capital, 2016 to Q2-26, and the 2031 target	8	35. Building the structural discount from observable components	21
7. Valuation of Brookfield and its closest peers	8	36. Discount of the share price to the company's own value per share	21
8. BAM: the fee engine inside BN	9	37. Discount to management's value per share.....	22
9. Fee-engine cross-check: BN's share of BAM DE on three end-points	9	38. NAV per share: Wealth Solutions multiple against carry multiple	22
10. Carried interest at 100%, at the CIO base and at zero	10	39. Fair value per share: discount to NAV against a move in the BAM	22
11. Realised carry against the accumulated balance	10	share price	22
12. Wealth Solutions against Athene and Global Atlantic	11	40. What the price implies.....	23
13. Where the Wealth Solutions spread comes from	11	41. DE-per-share growth: implied by the price against delivered and	23
14. Valuing Wealth Solutions two ways	11	planned.....	23
15. How Wealth Solutions was assembled.....	12	42. NAV per share by component: today, year 3 and year 10 (base case)	23
16. Listed operating affiliates: market against consensus.....	12	43. Base rates: what happened to listed holding-company discounts	24
17. Real estate: realised outcomes of the flagship funds (BN capital)	12	44. Five scenarios: the inputs that differ	24
18. Peer multiples.....	13	45. Twelve-month price by scenario and the probability-weighted	25
19. Like-for-like: the same multiples on each earnings stream.....	13	target.....	25
20. DE per share: history, consensus and the 2031 target	14	46. Price paths by scenario over ten years	25
21. Price against DE per share, year-end	14	47. Multi-horizon returns by scenario	25
22. Earnings-quality audit: cash, accrual and mark	15	48. Where the base-case return comes from.....	26
23. Disclosures we would demand	15	49. Full-cycle stress: a recession in years 2–4.....	26
24. Capital returned to shareholders.....	16	50. Expected value, upside/downside and probability of loss	27
25. Holding-company financing	16	51. Tornado: NAV per share sensitivity to twelve inputs	27
26. Corporate term-debt maturities against liquidity.....	16	52. Base-case five-year IRR: end discount against a growth scalar on	27
27. Management scorecard: said versus delivered	17	every driver.....	27
28. Consensus against our base case	17		
29. Consensus target price over time	18		

53. Price required for a five-year return at three hurdle rates.....	27	59. A1 · SOTP inputs and sources.....	32
54. Risk register	28	60. A5 · Non-IFRS glossary.....	33
55. Permanent-impairment paths	29	61. A7 · Assumption register with sensitivity rank	33
56. Core indicators and thresholds.....	29	62. A9 · Verification log — Gate B	34
57. Catalyst calendar	30	63. A10 · CIO judgement record BN-OJ-CIO-002 (30 Sep 2026)	34
58. Unresolved questions for management.....	31		

A0 • Security, structure and cash path

The security is a Class A limited voting share of Brookfield Corporation, an Ontario corporation listed on the NYSE and the TSX under BN. There are 2,232m Class A shares and 85,120 Class B shares; the fully diluted count used here is 2,366.0m, which adds the Wealth Solutions exchangeable shares and options [INT-Q2 p.52; S-Q2-26 p.29]. All Class B shares are held by the BAM Partnership, a trust whose beneficial interest is split one-third each between Bruce Flatt, Jack Cockwell and a group of five partners; no individual controls it. Class B elects half the board [AIF24 p.35; AR25 p.220]. Directors and management held about 9% of the Class A shares before the 2025 split, including indirect holdings through Partners Value Investments [AIF24 p.35].

Shareholders approved a simplification on 16 July 2026: a new Bermuda parent, Brookfield Corporation Ltd., will acquire BN and Brookfield Wealth Solutions (BWS) with one-for-one share exchanges and will list as BN. Closing is expected in late Q4-26 [INT-Q2 p.5; 6-K 5 Jun 2026]. For a BN holder the exchange is neutral to the share count: the BWS exchangeable shares are already in the diluted count. The motive given is to make about USD 145bn of permanent capital available to the insurance business and to qualify for index inclusion [L-Q1-26 p.6].

Withholding tax is immaterial: the dividend yield is 0.8%. Today the dividend is paid by a Canadian company; after the redomicile it will be paid by a Bermuda company. We have not verified the post-closing withholding position for a Swedish holder and list it among the unresolved questions (Section P).

Exhibit 2 — Ownership map, 30 June 2026

Economic interest; value to BN at our SOTP, USD m

Node	Holding	Economic interest	Consolidated	Listed	Our valuation basis	Value to BN
BAM (Brookfield Asset Management)	1,193.0m sh.	70% direct, 74% incl. BWS	Yes	Yes (NYSE/TSX)	Market, net of USD 2bn loan	51,649
Oaktree	—	74% → 100% from 31 Jul 2026	Equity method → consolidated	No	Inside BAM DE and carry	—
Carried interest	—	BN share, net	—	No	Accumulated + franchise	18,100
Wealth Solutions (BWS)	Class C (unlisted)	~98%	No (equity method)	BNT Class A listed	DE multiple	22,330
BIP	207.1m units	26% direct, 27% incl. BWS	Yes	Yes	Market (BIPC)	7,391
BEP	309.4m units	45% direct, 47% incl. BWS	Yes	Yes	Market (BEPC)	8,694
BBUC	89.1m sh.	27% direct / 69% combined (supp.); 43% (interim)	Yes	Yes	Market	2,251
Real estate (BPG)	—	100%	Yes	No	IFRS fair value less 20%	22,424
Direct investments	—	Various	Partly	No	IFRS fair value	10,617

Source: INT-Q2 p.27, p.54, p.94; S-Q2-26 p.6–7, p.17, p.20; Billen Capital Research estimates.

Takeaway: 59% of our NAV sits in entities with their own listing and can be checked daily; the unlisted rest (real estate, direct investments, carry, Wealth Solutions) carries the judgement.

Exhibit 3 — From the consolidated balance sheet to the shareholder

USD m, 30 June 2026

Line	Amount
Group total assets	525,515
Group equity	166,636
– non-controlling interests (NCI)	120,065
of which BIP / BEP / BBUC / BPG / BAM	30,426 / 32,008 / 14,423 / 26,103 / 1,707
– preferred equity	4,088
Common equity attributable to BN (IFRS)	42,483
Company blended capital, net (listed at market, others at fair value)	157,674
Billen Capital NAV	118,178
Share of group debt with recourse to BN	6%

Source: INT-Q2 p.1, p.27, p.51; S-Q2-26 p.7, p.9, p.28.

Takeaway: NCI is 72% of group equity; consolidated IFRS earnings and leverage describe the group, not the security, which is why we value BN on a parent-only SOTP.

Exhibit 4 — Cash path: where BN's distributable earnings come from

USD bn, annualised at 30 June 2026 [M]

Source	DE today	Reaches the parent as cash?	2031 plan
Asset management (BN share of BAM DE)	1.9	Yes — BAM dividends	4.7
Wealth Solutions	2.0	Mostly retained in insurance subsidiaries	5.8
Direct investments	0.8	Yes — distributions	0.5
Operating businesses and other	0.6	Yes — BIP/BEP/BBU distributions, RE	0.5
DE before realisations	5.3	≈ 3.3 to the parent	11.6
Realised net carry (LTM)	0.5	Yes	1.7 a year in years 1–3

Source: ID26-S slide 73, 84; S-Q2-26 p.6. Cash-to-parent split is a Billen Capital Research estimate.

Takeaway: Only about USD 3.3bn of the USD 5.3bn DE reaches the parent as cash today; the Wealth Solutions DE compounds inside regulated capital, which is why we value it on a multiple rather than count its DE as distributable.

So what for the valuation. Structure does not justify the whole discount. The dual-class control and the retained Wealth Solutions DE justify part of it; we allow 10–20% on top of a NAV that already deducts corporate cost and latent tax (Section I).

A • Company and business model

Brookfield Corporation is three businesses in one security. The first is a 74% stake in Brookfield Asset Management (BAM), a fee business with USD 672bn of fee-bearing capital. The second is Wealth Solutions, an annuity and insurance balance sheet with USD 191bn of insurance assets, which is both a source of permanent capital for BAM's funds and a spread business in its own right. The third is an owner-operator balance sheet: controlling stakes in listed infrastructure, renewables and business-services partnerships, wholly owned real estate, direct fund investments, and the carried interest generated by the funds BAM manages [S-Q2-26 p.2, p.7, p.18].

The company measures itself on distributable earnings (DE). DE before realisations was USD 5,652m in the twelve months to Q2-26, USD 2.39 per share; total DE including realised carry and disposition gains was USD 6,172m, USD 2.61 per share [S-Q2-26 p.6]. DE is a non-IFRS measure: it counts BAM at its dividend, not its earnings, and excludes unrealised gains and depreciation. We use it because it is what the parent can distribute, but we value the business on assets, not on DE (Section I).

Exhibit 5 — Ten years of Brookfield in per-share terms

USD; split-adjusted to the October 2025 basis; LTM = to Q2-26

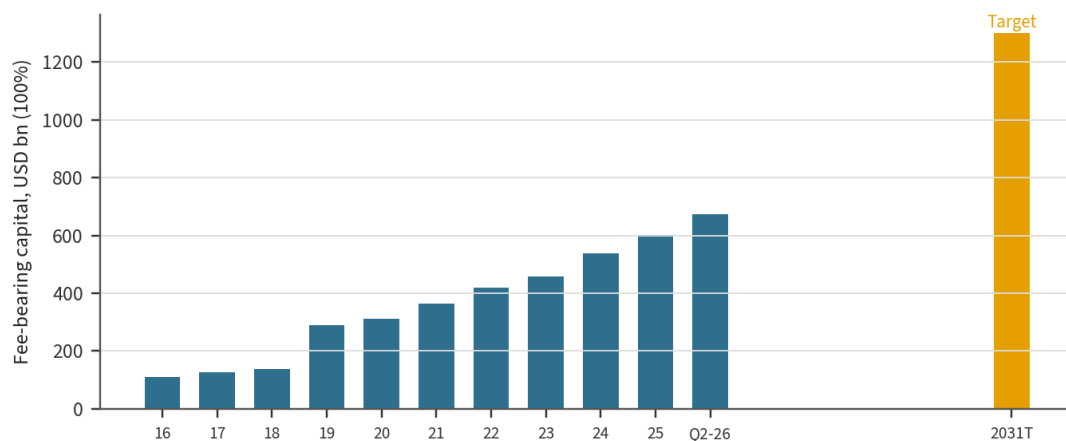
Metric	16	17	18	19	20	21	22	23	24	25	LTM
DE before realisations, USD m	—	—	2,133	2,197	2,687	3,467	4,314	4,223	4,871	5,386	5,652
DE before realisations / share	—	—	0.97	0.98	1.19	1.46	1.79	1.77	2.05	2.27	2.39
Total DE / share	0.91	0.95	1.09	1.19	1.86	2.64	2.17	2.02	2.64	2.54	2.61
Realised net carry, USD m	149	74	188	386	348	715	555	570	403	560	520
Fee-bearing capital, USD bn	110	126	138	290	312	364	418	457	538	603	672
Dividend / share	0.23	0.25	0.27	0.28	0.32	0.35	0.37	0.19	0.21	0.24	0.26
Year-end price	14.57	19.22	16.93	25.51	27.32	40.25	20.97	26.75	38.30	45.89	36.49

Source: DE 2016–2019: Fiscal.ai KPI (synthetic; company: "DE prior to 2020 determined by applying historic payout ratios to FFO", AR25 p.18). 2020–2025: AR25 p.3, p.24; S-Q4-24 p.6; S-Q4-25 p.6, p.12–13, p.28; PR20–PR22. LTM: S-Q2-26 p.6, p.12–13, p.29; INT-Q2 p.1. Dividends before 2023 include the asset manager; Dec-2022 BAM spin-off breaks the series. Prices: Fiscal.ai, split-adjusted, not adjusted for the BAM spin-off.

Takeaway: DE before realisations per share compounded 13.9% a year over 2020–2025; the share price did less, so the price-to-DE-before-realisations multiple has fallen from 28x at end-2021 (before the BAM spin-off) and 20x at end-2025 to 15.3x today.

Exhibit 6 — Fee-bearing capital, 2016 to Q2-26, and the 2031 target

USD bn at 100%; Oaktree included from 2019



Source: Fiscal.ai KPI; PR16–PR22; S-Q4-25 p.12; S-Q2-26 p.12; ID26-S slide 70 [M].

Takeaway: Fee-bearing capital grew 14.1% a year over five years; the 2031 target of USD 1.3tn needs the same rate again, which the Oaktree step in 2019 flatters in the ten-year series.

So what for the valuation. The fee engine (BAM) is 44% of our NAV and is marked daily. The equity story is therefore mostly a question of whether BAM keeps its multiple and whether the unlisted third is worth what the balance sheet says.

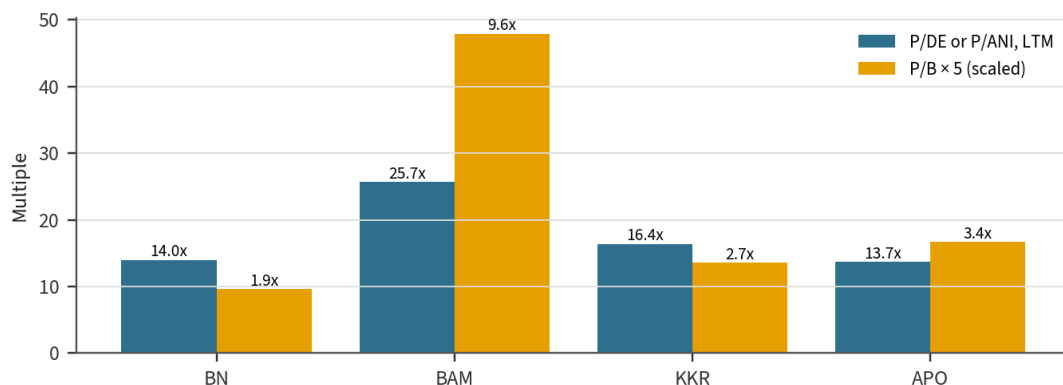
B • Industry structure and value chain

Alternative asset management has consolidated around a handful of firms that combine three things: permanent or long-dated capital, origination capacity in private credit and real assets, and an insurance balance sheet that turns annuity premiums into investable capital. Apollo (Athene) and KKR (Global Atlantic) followed the same path; Brookfield arrived later with American National (2022), American Equity (2024) and Just Group (2026) [B_insurance \$1f]. The economics differ by layer. The asset manager earns a fee on capital and a share of profits; the insurer earns the spread between what its assets yield and what its policyholders are credited; the owner-operator earns the underlying asset return, levered.

Fee-bearing and fee-paying capital across the three is of similar order: BAM USD 672bn, KKR USD 638bn, Apollo USD 858bn at 30 June 2026 [Fiscal.ai KPI]. Brookfield's distinguishing feature is weight on real assets — infrastructure, renewables, real estate — where it is one of the largest private owner-operators, and on its own balance sheet, which is much larger relative to the fee business than at KKR or Apollo.

Exhibit 7 — Valuation of Brookfield and its closest peers

x; LTM to Q2-26; prices 29 Sep 2026



Source: Fiscal.ai; Bigdata.com; Billen Capital Research estimates. BN on DE, BAM on DE, KKR and Apollo on adjusted net income.

Takeaway: BN trades at 14.0x DE, between Apollo (13.7x) and KKR (16.4x), while its own fee engine, BAM, trades at 25.7x: the market prices BN as an asset manager with a heavy balance sheet, not as a sum of its parts.

So what for the valuation. Peer multiples bound the fee-engine multiple (Section C and the tornado): BAM converging to peer levels is the single largest downside risk to our NAV.

C • Segment deep dives

C1 • Asset management: BN's stake in BAM

BN owns 1,193.0m BAM shares, 74% including those held through Wealth Solutions. We mark the stake at USD 44.97 and deduct the USD 2bn of non-recourse financing secured against it; the second USD 1bn was raised in 2026 to fund Just Group [S-Q2-26 p.7]. BN's share of BAM DE is USD 1.9bn today and management targets USD 4.7bn in 2031, 18% a year [ID26-S slide 73]. BAM itself reports FRE growth of 19% over the last twelve months [ID26-T p.12].

Exhibit 8 — BAM: the fee engine inside BN

USD; LTM to Q2-26; prices 29 Sep 2026

Metric	Value	Source
BN shares in BAM	1,193.0m (74% incl. BWS)	INT-Q2 p.54
BAM price / market value of BN stake	USD 44.97 / USD 53,649m	Fiscal.ai
Non-recourse financing against the stake	USD 2,000m (USD 1bn for Just Group)	S-Q2-26 p.7
BAM DE per share LTM / P/DE	USD 1.75 / 25.7x	Fiscal.ai
BAM FRE LTM / P/FRE	USD 3,201m / 22.4x	Fiscal.ai
Fee-bearing capital	USD 672.2bn (+19% y/y)	S-Q2-26 p.12
BN share of BAM DE today → 2031	USD 1.9bn → 4.7bn (18% a year) [M]	ID26-S slide 73
BAM dividend yield	4.5%	Bigdata.com

Source: As listed; Billen Capital Research.

Takeaway: BAM trades at 25.7x DE against 16.4x for KKR and 13.7x for Apollo: the premium prices BAM's 18% growth plan and its fee-only model; it is also the largest single risk in our NAV.

Exhibit 9 — Fee-engine cross-check: BN's share of BAM DE on three end-points

USD m; DE growth 15% decaying to 7%; payout ~100% [BCR est.]

Cost of equity	Gordon (g 4%)	Exit 16x yr 10	Exit 20x yr 10	Exit 24x yr 10	Exit 20x yr 5
8.5%	78,015	61,092	70,611	80,130	57,987
9.5%	62,915	56,599	65,284	73,969	55,575
10.5%	52,507	52,507	60,437	68,367	53,288

Source: Workbook tab BAM cross-check; ID26-S slide 73 for DE today (USD 1.9bn); exit multiples anchored on KKR 16.4x, APO 13.7x and BAM 25.7x. Billen Capital Research estimates.

Takeaway: At a 9.5% cost of equity the Gordon value (USD 62,915m) sits 17.3% above the market value of the stake and the 20x year-5 exit 3.6% above: marking BAM at market is not aggressive, but only because we assume 15% growth.

C2 • Carried interest

Carry is where management's plan value and ours diverge most. Management values it at USD 34.0bn: USD 2.7bn of "target carry" at 10x plus USD 6.8bn of accumulated unrealised carry at 100% [ID26-S slide 87]. We carry USD 18.1bn: the accumulated balance less the CIO's 10% haircut, plus normalised net carry generation of USD 1.5bn at 8x. Because our franchise line capitalises future *generation*, not realisation, it does not count the accumulated balance twice; management's USD 2.0bn of current net generation is the ceiling we test against [ID26-S slide 86].

The evidence on realisation is poor. Realised net carry was USD 403m in 2024, USD 560m in 2025 and USD 520m in the last twelve months; the plan asks for USD 5bn in the next three years, 60% of it from funds that have already returned all invested capital [S-Q2-26 p.6; ID26-S slide 84]. Over the last ten years Brookfield realised about USD 4bn in total; the ten-year plan is USD 25bn [ID26-T p.15].

Exhibit 10 — Carried interest at 100%, at the CIO base and at zero

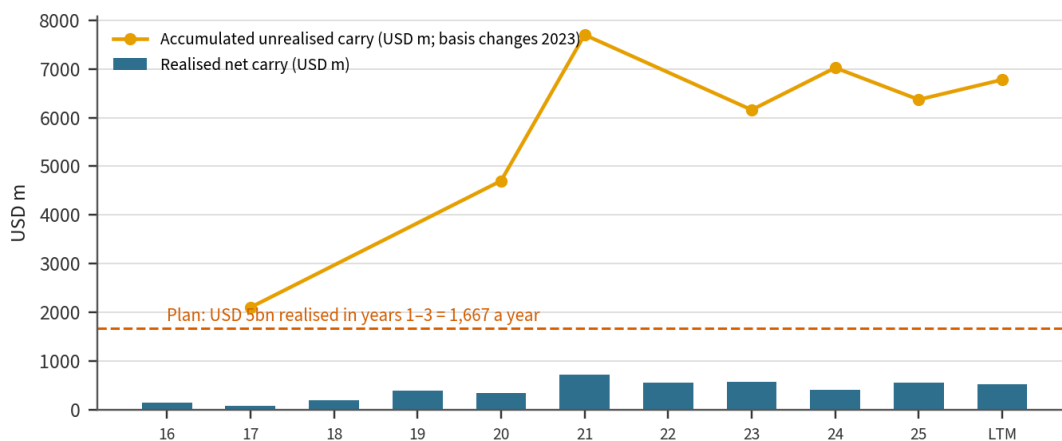
USD m and USD per share

	At 100% (company method)	CIO base	At zero
Accumulated unrealised, net to BN	6,778	6,100	0
Franchise (normalised generation × multiple)	27,250	12,000	0
Total carry value	34,028	18,100	0
NAV per share	56.68	49.95	42.30
Discount at USD 36.49	35.6%	26.9%	13.7%

Source: Workbook tab Carry; S-Q2-26 p.13; ID26-S slide 86–87; CIO judgements I-07 to I-09.

Takeaway: Even with carry at zero the shares trade 13.7% below NAV; carry decides how cheap BN is, not whether it is cheap.**Exhibit 11 — Realised carry against the accumulated balance**

USD m



Source: A_BN_primary \$1b; S-Q2-26 p.6, p.13; ID26-S slide 84 [M].

Takeaway: Realisations have run at a quarter to a third of the plan rate while the accumulated balance kept rising: the gap is the single most testable claim in the plan.**C3 • Wealth Solutions**

Wealth Solutions had USD 191bn of insurance assets and USD 167bn invested at 30 June 2026; 96% of net reserves are annuities including pension risk transfer and funding agreements, with a nine-year average liability duration [S-Q2-26 p.18]. It contributed DE of USD 480m in Q2-26 and USD 1,760m over the last twelve months to BN; annualised, including Just Group, it is USD 2,030m [S-Q2-26 p.17]. Invested capital is USD 15.0bn and group capital about USD 19.1bn.

Three features matter for the multiple. First, 0.59 percentage points of the 1.94% LTM gross spread are realised and unrealised gains on real-asset strategies. Second, Just Group, which added USD 45bn of assets on 1 April 2026, earns about 0.8% and dilutes the spread in the short term [BCR est. from S-Q2-26 p.18]. Third, disclosure is thin: the share of assets managed by Brookfield, the Bermuda solvency ratio and the exact RBC ratio are not reported. BWS paid USD 92m of management fees to Brookfield in Q2-26 [BWS 6-K note 26]. Those fees are inside BAM's market value and are deducted before BWS's DE, so each dollar is counted once and no elimination is needed. Two intra-group items are not resolved. BWS holds USD 2.9bn of BAM shares, which are inside our 1,193.0m BAM count; if their dividends (about USD 130m at BAM's 4.5% yield [BCR est.]) are also in BWS DE, we count about USD 1.4bn twice at 11x (USD 0.6 per share). The second USD 1bn loan secured on BAM shares funded Just Group; if its interest is already charged in BWS DE, deducting the principal at BN overstates the deduction by up to USD 0.4 per share. BWS also holds USD 2.0bn of BN shares [BWS 6-K note 26]. We leave all three unadjusted and list them for management (Section P).

Exhibit 12 — Wealth Solutions against Athene and Global Atlantic

% and USD m; LTM to Q2-26 unless stated

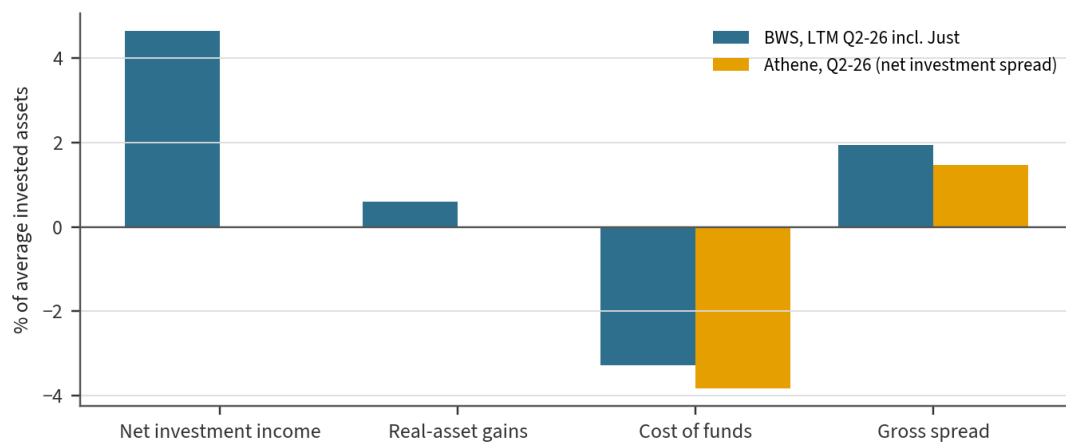
Metric	BWS	Athene (APO)	Global Atlantic (KKR)
Invested assets	167,297	314,100 (NIA)	n.d. (AUM 220,000)
Cost of funds	3.29% LTM	3.83% Q2	n.d.
Gross / net investment spread	1.94% (incl. 0.59pp real-asset gains)	1.47%	n.d.
Spread after opex and interest	1.18% Q2 annualised [BCR est.]	1.14% net spread	n.d.
Earnings, LTM	DE 1,790 (BN 1,760)	SRE 3,332 [BCR est.]	IOE 1,121 [BCR est.]
Investment grade (fixed income)	96%	98%	n.d.
Related-party investments / total	7.7% [BCR est.]	14.0% of NIA	n.d.
Capital ratio	US RBC >300% (exact n.d.); BSCR n.d.	RBC 441%	n.d.
Return on capital	13.5% (annualised DE / USD 15.0bn) [BCR est.]	n.d.	9.8% (IOE / book) [BCR est.]
Liability duration	9 years	n.d.	≈80% of Q2 liabilities ≥7 yrs

Source: S-Q2-26 p.17–18; BWS 6-K Q2-26 note 26 and AFS note; BWS 20-F FY25; Apollo Q2-26 presentation; Athene 10-Q Q2-26; KKR Q2-26 release p.16–17 (all BWS/peer items via Bigdata.com; BWS not in Fiscal.ai). n.d. = not disclosed.

Takeaway: Without the real-asset gains BWS earns 1.35%, slightly below Athene's 1.47%, at half Athene's scale and with less capital disclosure; the gap between 11x and management's 15x is a disclosure discount as much as an earnings one.

Exhibit 13 — Where the Wealth Solutions spread comes from

% of average invested assets



Source: S-Q2-26 p.18; Apollo Q2-26 presentation (via Bigdata.com).

Takeaway: Real-asset gains are 30% of the BWS gross spread; they are marks, not coupons, and they are what separates BWS from Athene.

Exhibit 14 — Valuing Wealth Solutions two ways

USD m

Basis	Value	Implied DE multiple
1. Annualised DE × 11x (CIO)	22,330	11.0x
2. Justified price-to-capital: $(ROE\ 13.5\% - g\ 6\%) / (Ke\ 10.5\% - g) \times USD\ 15.0bn$	25,111	12.4x
3. Stress: DE less real-asset gains $(0.59\% \times USD\ 167bn)$, × 11x	11,472	5.7x
Management (15x)	30,450	15.0x
Triangulated range (bases 1–3)	11,472 – 25,111	

Source: Workbook tab Wealth; S-Q2-26 p.5, p.17; ID26-S slide 156. Cost of equity and growth are Billen Capital Research estimates.

Takeaway: The CIO's 11x sits between the capital-based value (12.4x) and the gains-stripped stress (5.7x); management's 15x needs both a 15% ROE and a spread that owes nothing to marks.

Exhibit 15 — How Wealth Solutions was assembled

As disclosed

Target	Announced	Closed	Price / consideration
American National	Aug 2021	May 2022	≈USD 5.1bn cash, USD 190 a share
Argo Group	—	2023	≈USD 1.1bn (secondary source)
American Equity Life	Jul 2023	May 2024	≈USD 4.3bn; USD 55.00 a share (cash + 0.49707 BAM share)
Just Group (UK PRT)	—	1 Apr 2026	219.6p a share (≈GBP 2.4bn); ≈USD 45bn insurance assets added

Source: BWS 6-K Q2-26 note 16; BWS 20-F FY25; news via Bigdata.com (Benzinga, MT Newswires). Argo not verified to a primary source.

Takeaway: Four acquisitions in four years took insurance assets from about USD 45bn (2022, secondary source) to USD 191bn; organic growth has not yet been demonstrated at this scale.

C4 • Operating businesses, real estate and direct investments

BN's stakes in BIP (26%), BEP (45%) and BBUC are worth USD 18.3bn at market, 16% of our NAV. Real estate is held through Brookfield Property Group at a blended common equity of USD 28.0bn, on IFRS fair values [S-Q2-26 p.7, p. 22]. Direct investments of USD 10.6bn are fund commitments and co-investments carried at fair value; management plans to release USD 6bn of this capital for reinvestment [ID26-S slide 70].

Exhibit 16 — Listed operating affiliates: market against consensus

USD per unit; 29 Sep 2026

Affiliate	Price	Consensus mean TP	Upside	Value to BN at market, USD m
BIP	35.49	48.50	36.7%	7,391
BEP	28.00	38.83	38.7%	8,694
BBUC	25.26	40.67	61.0%	2,251

Source: Fiscal.ai prices (BIP LP; BIPC and BEPC used for valuation); Bigdata.com consensus, 30 Sep 2026.

Takeaway: We mark the affiliates at market, not at consensus; consensus targets would add USD 3.1 per BN share, an upside we do not include.

Exhibit 17 — Real estate: realised outcomes of the flagship funds (BN capital)

USD m; gross IRR

Fund	Vintage	Invested	Remaining IFRS value	Realised	Gross IRR	Realised / invested
BSREP I	2012	1,610	13	3,058	21%	1.9x
BSREP II	2015	2,971	615	3,741	12%	1.3x
BSREP III	2018	4,044	2,602	2,651	10%	0.7x
BSREP IV	2021	1,434	1,556	383	7%	0.3x

Source: S-Q2-26 p.15; Billen Capital Research. Net IRR, MOIC and DPI are not disclosed by BN.

Takeaway: Real-estate returns have fallen by vintage from 21% to 7% gross; the later funds are still mostly marks, which is why the CIO haircut of 20% on BPG equity is a floor, not a cushion.

So what for the valuation. Carry (15% of NAV), Wealth Solutions (19%) and real estate plus direct investments (28%) carry the judgement; the listed stakes (59%) carry the market risk. The scenario ladder moves all four.

D • Competitive landscape

Brookfield competes for the same limited-partner allocations as Blackstone, KKR, Apollo, Ares and EQT, and for annuity flows with Athene, Global Atlantic and the traditional life insurers. Its advantage is in real assets — infrastructure, renewable power, real estate — where operating capability is part of the product; its disadvantage is complexity, which the multiple reflects. We compare with KKR and Apollo because both combine a fee business, an insurer and principal capital. A full like-for-like SOTP of the peers is not possible from the disclosures we hold; we apply the same multiples to each disclosed earnings stream and show what the market pays for the rest.

Exhibit 18 — Peer multiples

LTM to Q2-26; prices 29 Sep 2026

Company	Price	Market cap, USD m	P/DE or P/ANI	P/FRE	P/B	Dividend yield	Fee-bearing / fee-paying capital, USD bn
BN	36.49	86,335	14.0x	n.m.	1.9x	0.8%	672.2
BAM	44.97	71,828	25.7x	22.4x	9.6x	4.5%	672.2
KKR	93.18	83,642	16.4x	19.7x	2.7x	0.8%	638.4
APO	119.00	70,275	13.7x	24.6x	3.4x	1.9%	858.0

Source: Fiscal.ai; Bigdata.com; C_market_peers. BN P/FRE is not meaningful (Fiscal.ai reports BAM FRE at 100% for BN). KKR share basis unresolved: ANI implies ~1,157m adjusted shares against 897.6m common.

Takeaway: BN is priced like the lower-multiple peers even though half of its NAV is a fee engine that the market values at 22x FRE.

Exhibit 19 — Like-for-like: the same multiples on each earnings stream

USD m; FRE × 23.5x, insurance earnings × 11x; LTM Q2-26 (BN annualised)

Company	Fee engine	Insurance × 11x	Sum	Market cap	Residual	Residual / market cap
KKR	99,522	12,331	111,854	83,642	-28,212	-33.7%
APO	67,092	36,652	103,744	70,275	-33,470	-47.6%
BN	51,649	22,330	73,979	86,335	12,356	14.3%

Source: Workbook tab Comps; Fiscal.ai KPI (FRE, SRE, IOE); BN fee engine = BAM stake at market less loan; BN insurance = annualised Wealth DE × 11x. 23.5x = mean of BAM 22.4x and Apollo 24.6x P/FRE. The method is circular (peer P/FRE is struck on market values that already include insurance and balance sheets), which biases peer residuals negative; KKR turns positive on ~1,157m adjusted shares. Billen Capital Research estimates.

Takeaway: Read with care, given the circularity: BN's market value leaves USD 12,356m for a balance sheet we value at USD 44,198m, so the market pays 28.0% of our value for it; the discount sits on the balance sheet, not on the fee engine.

So what for the valuation. The comparison supports marking BAM at market but argues against applying a peer-average multiple to BN as a whole: the sector discount sits on balance sheets, which is exactly what our haircuts address.

E • Technology, AI and disruption

AI enters Brookfield's case through demand, not disruption. Data-centre and power demand is the growth driver management cites for infrastructure and renewables, where BIP and BEP are among the largest private developers; the capital intensity of that build-out is also the fundraising opportunity for BAM [ID26-T]. We do not quantify it: the affiliates are marked at market and the fundraising benefit sits inside BAM's growth rate. The disruption risk runs the other way — lower-fee, technology-enabled private-credit and evergreen products for wealth channels compress fee rates. BAM's fee-bearing capital growth of 19% does not yet show that pressure, and we have not found a disclosed fee-rate series that would. We list it as a monitorable rather than a model input.

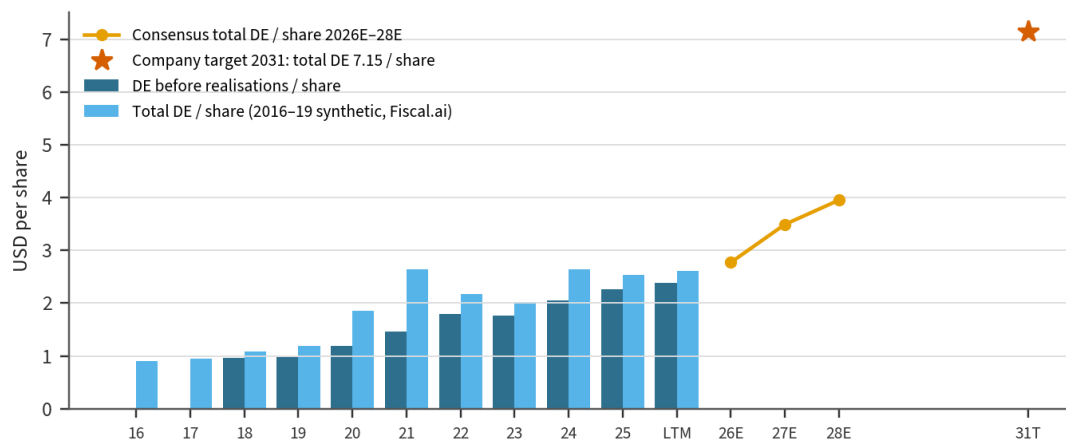
So what for the valuation. No explicit AI line in the SOTP. The effect runs through the BAM growth rate (15% base) and the affiliate price returns (5% base); both are in the tornado.

F • Financial analysis

DE before realisations per share rose from USD 1.19 in 2020 to USD 2.27 in 2025 and USD 2.39 over the last twelve months, 13.9% a year; management reports "~18% since 2021" adjusted for the BAM spin-off [AR25 p.11]; from the published 2021 values we get 15.9–16.8% [BCR est.]. Total DE is more volatile because it includes realised carry and disposition gains: USD 6,282m in 2021, USD 4,806m in 2023, USD 6,172m in the last twelve months [A_BN_primary \$1a].

Exhibit 20 — DE per share: history, consensus and the 2031 target

USD per share; split-adjusted



Source: A_BN_primary \$1a; Bigdata.com consensus (FMP data), 30 Sep 2026; ID26-S slide 48 [M].

Takeaway: Consensus expects total DE per share to rise 51% by 2028; the 2031 target implies 2.7x today's total DE per share.**Exhibit 21 — Price against DE per share, year-end**

USD; x

Year	Price	DE before realisations / share	P/DE bfr	Total DE / share	P/total DE
2016	14.57	—	—	0.91	16.1x
2017	19.22	—	—	0.95	20.3x
2018	16.93	0.97	17.5x	1.09	15.6x
2019	25.51	0.98	25.9x	1.19	21.4x
2020	27.32	1.19	23.1x	1.86	14.7x
2021	40.25	1.46	27.6x	2.64	15.2x
2022	20.97	1.79	11.7x	2.17	9.7x
2023	26.75	1.77	15.1x	2.02	13.2x
2024	38.30	2.05	18.7x	2.64	14.5x
2025	45.89	2.27	20.2x	2.54	18.1x
Today	36.49	2.39	15.3x	2.61	14.0x

Source: Fiscal.ai prices; A_BN_primary \$1a. Before 2022 DE includes 100% of the asset manager and prices are not adjusted for the BAM spin-off; 2016–2019 DE is synthetic.

Takeaway: At 15.3x DE before realisations BN trades in line with end-2023 (15.1x) and above only the spin-off year 2022 (11.7x); the multiple compressed from 20x at end-2025 while per-share DE rose 14% a year.**F2 • Earnings quality and disclosure audit**

DE is a cash-leaning measure but not a cash measure. It counts BAM at its dividend and excludes unrealised gains — except inside Wealth Solutions, where gains on real-asset strategies are part of the spread. Before 2020 the company did not report DE; its historical series applies payout ratios to reported FFO [AR25 p.18]. We therefore anchor growth on 2020 onwards and label earlier years as synthetic.

Exhibit 22 — Earnings-quality audit: cash, accrual and mark

Our classification of the LTM DE and the NAV

Item	LTM / value	Cash	Accrual	Mark	Comment
BAM DE to BN	USD 1.9bn	✓			Paid as BAM dividends
Wealth Solutions DE	USD 1.76bn LTM	partly	✓	partly	Includes 0.59pp real-asset gains; retained in insurers
Direct investments DE	USD 0.8bn	✓			Distributions
Realised carry	USD 520m	✓			Cash once realised
Accumulated unrealised carry (NAV)	USD 6.8bn			✓	Depends on fund marks and waterfall
Real estate (NAV)	USD 28.0bn			✓	IFRS fair value, level 3
Direct investments (NAV)	USD 10.6bn			✓	IFRS fair value
Listed stakes (NAV)	USD 70.0bn			✓ (market)	Observable daily

Source: S-Q2-26 p.6–7, p.13, p.17–18; ID26-S slide 73; Billen Capital Research classification.

Takeaway: About 60% of DE reaches the parent as cash; 33% of NAV rests on level-3 or fund marks and a further 10% on carry not yet generated, which is where our haircuts are concentrated.

Exhibit 23 — Disclosures we would demand

Missing items, why they matter, and where we have assumed around them

Missing disclosure	Why it matters	How we handled it
Share of BWS assets managed by Brookfield	Affiliated-asset risk and fee circularity	Not quantified: related-party holdings are 7.7%, but USD 13bn was in Brookfield strategies at FY25 (AR25 p.72)
BWS Bermuda BSCR and exact US RBC ratios	Capital adequacy of a USD 191bn balance sheet	Multiple 11x, not 15x
Net IRR, MOIC and DPI for flagship funds	Carry realisation and mark credibility	Haircut on accumulated carry; BSREP gross IRRs shown
DE-to-operating-cash reconciliation at parent	Separates cash from accrual in DE	Our cash-path estimate (A0)
Real-estate fair-value sensitivity by asset class	Level-3 exposure of USD 28bn	20% haircut (CIO)
Carry generated by fund and year	Tests the 2.0bn generation claim	Normalised 1.5bn (CIO)

Source: Billen Capital Research.

Takeaway: Each missing disclosure maps to a haircut or a multiple below management's; if they were provided and favourable, the CIO judgements could be relaxed.

F3 • From consolidated IFRS to what the shareholder owns

Consolidated IFRS equity is USD 166.6bn, of which USD 120.1bn belongs to minority holders of the partnerships and funds; BN's common equity is USD 42.5bn on IFRS values against USD 157.7bn on the company's blended basis (listed stakes at market, the rest at fair value and management multiples) [INT-Q2 p.1, p.51; S-Q2-26 p.7]. Our NAV of USD 118,178m sits between the two: it uses market prices where they exist and fair value less haircuts elsewhere.

So what for the valuation. We value assets, not DE. DE matters for two things: the growth rate that drives NAV per share in the projection, and the cash available for buybacks, which is what makes the discount accretive.

G • Capital allocation

Brookfield allocates capital in three directions: buybacks and dividends, acquisitions for Wealth Solutions, and seed and co-investment in BAM's funds. In the year to June 2026 it returned USD 1.3bn — USD 700m of buybacks and USD 600m of dividends [ID26-S slide 60]. It financed Just Group with USD 1bn of non-recourse debt against BAM shares and a GBP 1.5bn term loan at BWS [BWS 6-K note 16]. After the quarter it paid about USD 1.4bn of the roughly USD 3bn for the remaining 26% of Oaktree, BAM paying the rest [INT-Q2 p.94; Benzinger 7 Nov 2025 via Bigdata.com].

Exhibit 24 — Capital returned to shareholders

USD m; dividend per share USD

Year	Buybacks	Dividend / share	Shares retired (post-split, m)	Average price paid
2023	646	0.19	— (share count not verified)	—
2024	1,001	0.21	35.4–40.0 (text vs continuity table)	—
2025	1,009	0.24	25.3–28.0	USD 35.97
LTM Q2-26	695	0.26	16.6–18.3	USD 42.04
2026 to 13 Aug	≈580	H1 0.14	—	≈USD 42

Source: S-Q4-24 p.8, p.26; S-Q4-25 p.8, p.28; S-Q2-26 p.8, p.12, p.29; AR25 p.3.

Takeaway: Brookfield has retired about USD 1bn a year at prices that were 30–50% below its own blended value; the share count still fell only slowly because of exchangeable and incentive issuance.

G2 • Financing, covenants and solvency**Exhibit 25 — Holding-company financing**

30 June 2026

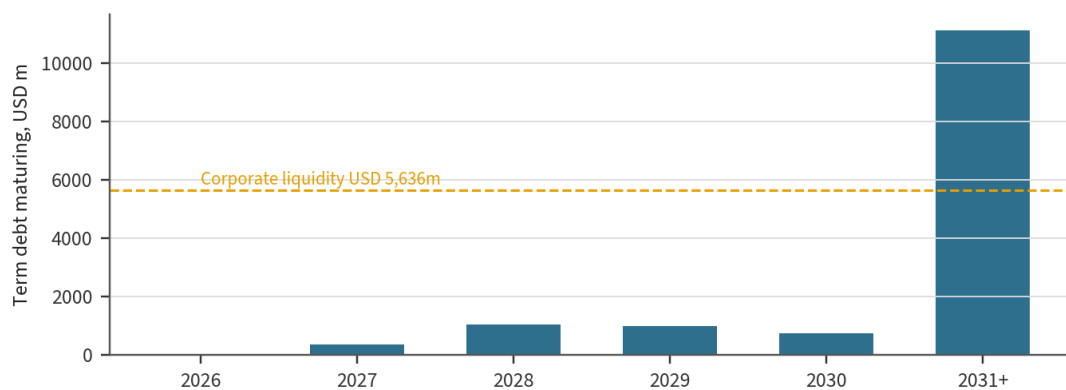
Item	Value	Source
Corporate borrowings (book, incl. CP 459)	USD 14,711m	INT-Q2 p.49–50
Average rate / tenor (term debt)	4.8% / 15 years	S-Q2-26 p.9
Perpetual preferreds (blended; IFRS 4,318)	USD 3,475m at 5.0%	S-Q2-26 p.9, p.26
Non-recourse loans against BAM shares	USD 2,000m	S-Q2-26 p.7
Corporate liquidity (cash & financial assets 2,395 + undrawn 3,241)	USD 5,636m	S-Q2-26 p.9
Debt-to-capitalisation (IFRS / market)	21% / 13%	S-Q2-26 p.9, p.28
Share of group debt with recourse to BN	6%	S-Q2-26
Ratings (senior)	S&P A–, Fitch A–, Moody's A3, DBRS A (as of Mar-2025)	AIF24 p.36
Financial covenants at corporate level	Not disclosed; unsecured, investment grade	—
Bond offering priced 21 Sep 2026	Amount and terms not in our sources	Fiscal.ai news

Source: As listed.

Takeaway: Parent debt and preferreds are 21% of market capitalisation (company debt-to-capitalisation at market 13%) and long-dated; the real leverage sits in the partnerships and the insurer, where it is non-recourse to BN.

Exhibit 26 — Corporate term-debt maturities against liquidity

USD m, nominal; 30 June 2026



Source: S-Q2-26 p.9.

Takeaway: Maturities to 2030 total USD 3.2bn against USD 5.6bn of corporate liquidity; the holding company has no refinancing wall before 2031.

G3 • Per-share progression

Weighted diluted shares fell from 2,412m in 2022 to 2,353m in Q2-26, 2.4% in three and a half years, despite about USD 3bn of buybacks, because exchangeable shares and incentive plans offset part of the retirement [A_BN_primary \$1b, §5]. The dividend per share rose from USD 0.19 in 2023 to an annualised USD 0.28 [INT-Q2 p.1].

G4 • Management scorecard

Exhibit 27 — Management scorecard: said versus delivered

Plan-value targets per share (post-split basis) and outcomes

Stated	When	Target	Delivered / status	Verdict
Plan value per share	Investor Day 2024	USD 117 by 2029 (176 pre-split)	Target restated	Deferred
Plan value per share	Investor Day 2025	USD 140 by 2030	Target moved to 2031 in 2026	Deferred one year
Plan value per share	Investor Day 2026	USD 140 by 2031 (16% a year)	USD 67 at 30 Jun 2026 (68 a year earlier)	Flat for 12 months
DE before realisations / share growth	AR25	~18% a year since 2021	15.9–16.8% (our calculation)	Slight overstatement
Buybacks	ID26	~USD 1bn a year	USD 1.0bn in 2024 and 2025	Delivered
Net realised carry	Investor Days 2024–2026	Rising realisations	USD 570m / 403m / 560m (2023–2025)	Not delivered yet

Source: ID24 slide 33, 49; IR25 slide 59, 65; ID26-S slide 39, 49, 60–61; AR25 p.3, p.11; S-Q2-26 p.6–7.

Takeaway: Operating delivery (fee-bearing capital, DE, buybacks) is on plan; valuation targets keep sliding a year, and carry realisation is the promise not yet kept.

So what for the valuation. The base case buys back USD 1bn a year growing 7%, in line with 2024–2025; at a 27% discount each USD 1bn adds about 0.3% to NAV per share. Sliding plan-value targets are one reason we do not adopt management's 15x and 10x multiples.

H0 • Q2-26 read-through

Three new facts from the second quarter. First, DE before realisations per share rose 15% to USD 0.61, below the 17% plan rate [S-Q2-26 p.6]. Second, Just Group closed on 1 April 2026 and lifted Wealth Solutions' insurance assets from USD 144bn to USD 191bn; its first full quarter contributed only USD 85m of DE on USD 45bn of assets [S-Q2-26 p.18]. Third, realised net carry was USD 121m, against the USD 417m a quarter the plan implies [S-Q2-26 p.6]. The quarter confirmed the fee engine and the insurance scale-up and failed to show carry conversion.

H1 • Market expectations and variant perception

The share price fell from USD 49.17 in January to USD 36.49, 26%, while the sell side raised targets [Fiscal.ai; Bigdata.com]. At today's price the market assumes about 6.3% a year of DE growth. **Our variant perception is narrower than consensus and falsifiable:** the market is right to doubt carry and the Wealth Solutions multiple, which is why our NAV is 25% below management's, but wrong to extend that doubt to the whole company; even with carry at zero, BN trades 13.7% below NAV. The test is the next four quarters of realised carry: an average above USD 250m would validate our base case; above USD 400m would move us toward consensus.

Exhibit 28 — Consensus against our base case

USD per share

Item	Consensus	Billen Capital base	Management
Total DE / share 2026E	2.77	—	2.48 "today" (ID26)
Total DE / share 2027E	3.49	2.95 (year 1, Sep-27)	—
Total DE / share 2028E	3.95	3.24 (year 2)	—
DE bfr / share 2031	—	3.62 (year 5)	4.90 [M]
Target price (mean / median / high / low)	58.50 / 59.50 / 61.00 / 54.00	40.00	Plan value 67 today
Recommendations	8 buy, 1 hold	ACCUMULATE	—

Source: Bigdata.com company tearsheet (FMP data), 30 Sep 2026; 2027E–2028E n=1; Billen Capital Research. 2027E–2028E rest on one estimate.

Takeaway: Consensus targets USD 58.50, 44% above ours; it prices BN on 16.8x forward DE with the plan largely delivered, while we price the unrealised parts of the plan with haircuts.

Exhibit 29 — Consensus target price over time

USD

Date	Mean target	Source	BN price
2026-04-20	53.45	FactSet via MT Newswires	45.12
2026-05-15	54.31	FactSet via MT Newswires	45.59
2026-07-24	55.67	Koyfin	41.67
2026-09-30	58.50	FMP via Bigdata.com	36.49

Source: MT Newswires (FactSet), Koyfin, Bigdata.com; different provider samples, not strictly comparable. Prices: Fiscal.ai month-end for April and May, stated date otherwise.

Takeaway: Targets rose 9% while the price fell 19%: the sell side has not changed its view, the market has.

H • Forecasts

We project each SOTP component rather than a consolidated income statement. BAM value follows BAM DE growth (15% in year 1 decaying to 7% by year 10, against an 18% plan) and a fade in BAM's multiple from 25.7x to 21x; Wealth Solutions DE grows 15% decaying to 6% (plan 23%) at a constant 11x; carry generation starts at the CIO's normalised USD 1.5bn and grows 10% decaying to 5%; 15% of the accumulated balance is realised each year (about USD 1.0bn in year 1, between the LTM USD 0.5bn and the plan's USD 1.7bn), with the 10% haircut applied on realisation; real estate grows 2%; direct investments release USD 1.2bn a year for five years. Parent cash — BAM dividends, direct-investment distributions, operating distributions and realised carry — pays a dividend growing 7% a year and USD 1bn of buybacks growing 7% a year at the scenario price; the rest is reinvested at 7%. Every growth rate decays linearly to year 10, so the law of large numbers is imposed rather than assumed away.

Exhibit 30 — Base-case projection

USD; per share unless stated; year 0 = 30 Sep 2026

Year	DE bfr / share	NAV / share	Discount	Price	Cum. dividends	Shares, m	Wealth DE, USD m	Carry generated, USD m
0	2.25	49.95	26.9%	36.49	0.00	2,366.0	2,030	1,500
1	2.52	56.63	24.6%	42.68	0.30	2,348.8	2,334	1,650
2	2.77	63.72	22.3%	49.50	0.62	2,333.4	2,661	1,806
3	3.04	71.18	20.0%	56.95	0.96	2,319.7	3,007	1,966
5	3.62	87.01	20.0%	69.61	1.72	2,294.1	3,739	2,296
7	4.28	107.40	20.0%	85.92	2.59	2,271.5	4,483	2,626
10	5.27	140.36	20.0%	112.29	4.14	2,240.8	5,491	3,088

Source: engine_BN (calibrated to the workbook tab Base projection to 0.1%); Billen Capital Research estimates.

Takeaway: Our base case compounds DE per share at 8.9% a year to year 10, below the 13.9% delivered since 2020 and well below the 17% plan.

So what for the valuation. The projection drives the 1/3/5/7/10-year paths in Section J. The two assumptions that matter most after the static SOTP are BAM DE growth and the end-discount; both are sensitised in the grids.

I • Valuation

We value Brookfield on a sum of the parts. Listed holdings are marked at market; Wealth Solutions on a multiple of annualised DE; carried interest in two pieces, the accumulated balance less a haircut and a franchise value on normalised annual generation; real estate and direct investments at fair value less haircuts; corporate cost capitalised; latent tax, holding-company debt and preferreds deducted. The eight valuation judgements — the two carry haircuts and multiples, the Wealth multiple, the real-estate and direct-investment haircuts, the cost multiple and the tax charge — were set by the CIO on 30 September 2026 after the sensitivities were shown (record BN-OJ-CIO-002). Management's own plan value uses 15x on Wealth Solutions and 10x on carry and does not deduct cost or tax [ID26-S slide 61, 87, 162]. Discount rates follow risk: 10% for the group (hurdle and reverse valuation), 9.5% for the fee-engine cross-check (a capital-light fee stream), 10.5% for Wealth Solutions (a levered spread balance sheet) [BCR est.].

Exhibit 31 — Sum of the parts

USD m; per share on 2,366.0m fully diluted shares; quantities 30 Jun 2026, prices 29 Sep 2026

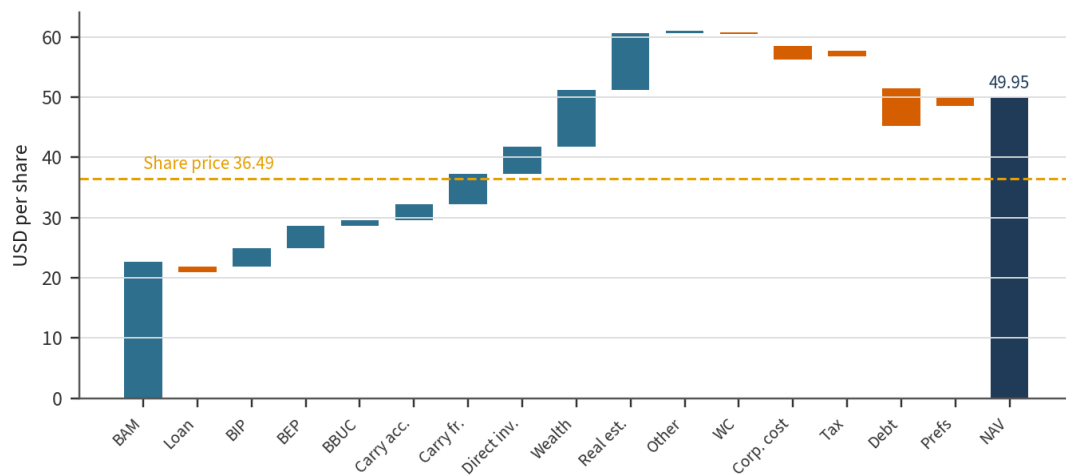
Component	Basis	Value to BN	USD / share	% of NAV
BAM stake (market)	Market × 1,193.0m	53,649	22.68	45.4%
Non-recourse loan against BAM shares	S-Q2-26 p.7	-2,000	-0.85	-1.7%
BIP (via BIPC price)	Market (BIPC)	7,391	3.12	6.3%
BEP (via BEPC price)	Market (BEPC)	8,694	3.67	7.4%
BBUC	Market	2,251	0.95	1.9%
Accumulated unrealised carry, net of haircut	6,778 less 10% (CIO)	6,100	2.58	5.2%
Carry franchise (normalised generation × multiple)	1,500 × 8x (CIO)	12,000	5.07	10.2%
Direct investments, net of haircut	IFRS FV, 0% haircut (CIO)	10,617	4.49	9.0%
Wealth Solutions (annualised DE × multiple)	2,030 × 11x (CIO)	22,330	9.44	18.9%
Real estate (BPG), net of haircut	28,030 less 20% (CIO)	22,424	9.48	19.0%
Other (energy contracts)	IFRS	889	0.38	0.8%
Corporate working capital	Blended	-682	-0.29	-0.6%
Capitalised corporate cost	530 × 10x (CIO)	-5,300	-2.24	-4.5%
Latent deferred tax	CIO, low confidence	-2,000	-0.85	-1.7%
Corporate debt	Book incl. CP	-14,711	-6.22	-12.4%
Perpetual preferreds	Blended	-3,475	-1.47	-2.9%
NAV		118,178	49.95	100.0%
Share price / discount to NAV	29 September 2026		36.49	26.9%

Source: Workbook tab SOTP; S-Q2-26 p.6–9, p.13, p.17, p.22, p.26; INT-Q2 p.49–54; Fiscal.ai prices; CIO judgements BN-OJ-CIO-002. Engine and workbook agree to the dollar.

Takeaway: Listed stakes at market less all parent debt and preferreds are worth USD 21.89 per share; the market pays USD 14.60 for the remaining USD 28.06 of carry, Wealth Solutions, real estate and direct investments net of costs — about half.

Exhibit 32 — From the parts to NAV per share

USD per share



Source: Workbook tab SOTP.

Takeaway: Before debt, the listed stakes and part of the carry already cover the share price; after the USD 7.7 per share of parent debt and preferreds, the market pays about half of our value for everything that is not listed.

Exhibit 33 — Our NAV against management's plan value, line by line

USD m; USD per share

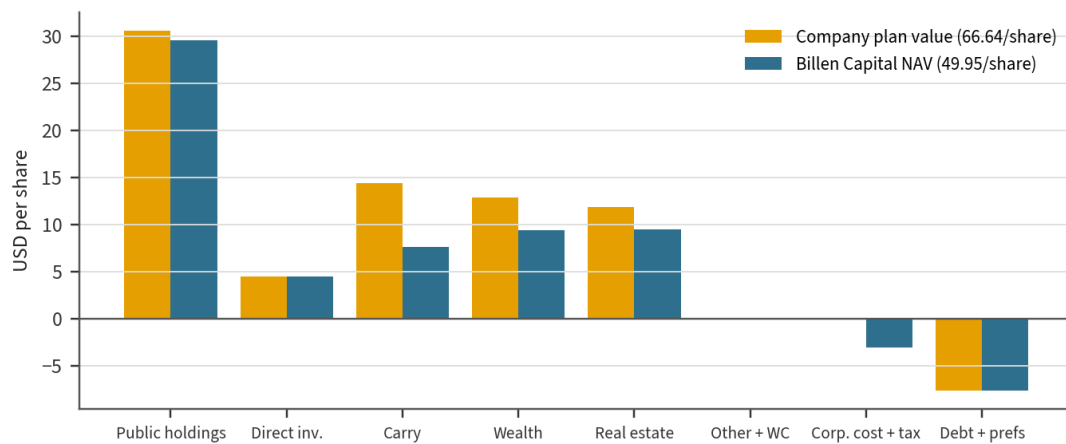
Line	Company	Billen Capital	Difference	Per share	Why
Public holdings (BAM, BIP, BEP, BBUC)	72,529	69,985	-2,544	-1.08	Price date: company 30 Jun 2026 (BAM 44.85), ours 29 Sep 2026 (BAM 44.97, BIPC 35.69, BEPC 28.10, BBUC 25.26)
Direct investments	10,617	10,617	0	0.00	None: CIO set the haircut to 0%
Carried interest	34,028	18,100	-15,928	-6.73	Company: USD 2.7bn target carry × 10x + USD 6.8bn unrealised at 100%. Ours: USD 1.5bn normalised × 8x + unrealised less 10%
Wealth Solutions	30,450	22,330	-8,120	-3.43	Company 15x annualised DE ("management view of fair value"); ours 11x (CIO)
Real estate (BPG)	28,029	22,424	-5,605	-2.37	Ours 20% below IFRS fair value (CIO)
Other (energy contracts)	889	889	0	0.00	None
Corporate and other working capital	-682	-682	0	0.00	None
Capitalised corporate cost	0	-5,300	-5,300	-2.24	Company does not deduct corporate cost; we capitalise the LTM deficit at 10x
Latent deferred tax	0	-2,000	-2,000	-0.85	Company does not deduct latent tax; we deduct USD 2bn (low confidence)
Debt and preferred capital	-18,186	-18,186	0	0.00	Ours uses book debt incl. CP (IFRS) and blended preferreds
Total	157,674	118,178	-39,496	-16.69	Per share: company 66.64, ours 49.95

Source: Workbook tab Plan reconciliation; S-Q2-26 p.7; ID26-S slide 61, 87, 162.

Takeaway: Carry (-USD 6.8 per share) and Wealth Solutions (-3.4) explain most of the USD 16.7 gap; the rest is our deduction of corporate cost and latent tax, which management does not make.

Exhibit 34 — Management plan value against our NAV by line

USD per share



Source: S-Q2-26 p.7; ID26-S slide 61; workbook tab Plan reconciliation.

Takeaway: We differ from management on multiples and deductions, not on the facts: the listed holdings differ only by price date (-3.5%) and direct investments agree exactly.

Fair value and the discount

Fair value is our NAV less a structural discount of 10–20%, USD 39.96–44.95 per share, mid-point USD 42.46. The discount is argued, not assumed: most of what normally justifies a holding-company discount is already deducted in our NAV.

Exhibit 35 — Building the structural discount from observable components

% of NAV

Component	Size	Already in our NAV?	Allowance in the discount
Capitalised corporate cost (USD 530m × 10x)	3.6% of gross assets	Yes	0%
Latent tax on disposal (USD 2bn, CIO)	1.4% of gross assets	Yes	0–5% (low-confidence estimate)
Holding-company leverage (debt + prefs USD 18.2bn; 21% of market cap)	12.4% of gross assets	Deducted at book	0–3% (long-dated, A– rated)
Control and dual class (Class B elects half the board)	—	No	3–5%
Complexity and disclosure gaps (level-3 marks, BWS capital, carry by fund)	—	Partly (haircuts)	5–7%
Sum of allowances [BCR est.]; we use 10–20%			8–20%

Source: Billen Capital Research estimates; S-Q2-26 p.9, p.26; AIF24 p.35–36.

Takeaway: Most of what usually justifies a holding-company discount is already deducted in our NAV; a 27% discount on top pays the buyer for risks we have also haircut.

Exhibit 36 — Discount of the share price to the company's own value per share

USD; post-October-2025 split basis

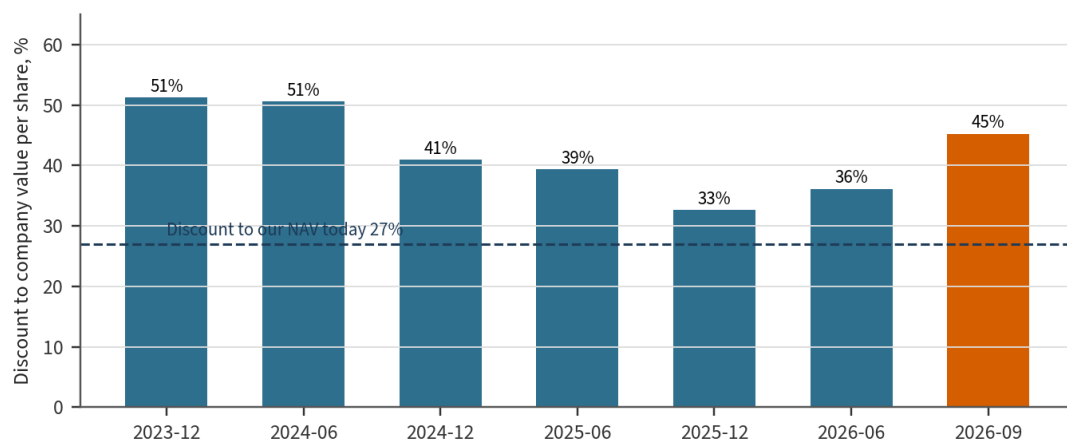
Date	Company value / share	Measure	BN price	Discount
2023-12-31	54.86	Blended capital, net	26.75	51.2%
2024-06-30	56.00	Plan value	27.69	50.6%
2024-12-31	64.83	Blended capital, net	38.30	40.9%
2025-06-30	68.00	Plan value	41.23	39.4%
2025-12-31	68.08	Blended capital, net	45.89	32.6%
2026-06-30	66.64	Blended capital, net	42.59	36.1%
2026-09-29	66.64	Blended capital (30 Jun) vs today	36.49	45.2%

Source: S-Q4-24 p.7; S-Q4-25 p.7; S-Q2-26 p.7; ID24 slide 33; IR25 slide 65; Fiscal.ai prices.

Takeaway: The discount to management's value ran from 51% (end-2023) to 33% (end-2025) and is back to 45%; ten years of NAV history on our basis does not exist, so we use the company series and scale it.

Exhibit 37 — Discount to management's value per share

%



Source: As Exhibit before; Fiscal.ai prices.

Takeaway: Today's 45% discount to management's value is close to the end-2023 level of 51%, after which the shares rose 72% in two years.

Exhibit 38 — NAV per share: Wealth Solutions multiple against carry multiple

USD per share

Wealth × \ carry ×	6x	8x	10x
8.0x	46.11	47.37	48.64
9.0x	46.96	48.23	49.50
11.0x	48.68	49.95	51.22
13.0x	50.40	51.66	52.93
15.0x	52.11	53.38	54.65

Source: Workbook tab Sensitivities (formulas on SOTP).

Takeaway: Management's 15x on Wealth and 10x on carry would add USD 4.70 per share to our NAV; after the BAM price, these two CIO judgements are the largest inputs.

Exhibit 39 — Fair value per share: discount to NAV against a move in the BAM share price

USD per share

Discount \ BAM Δ	-20%	-10%	0%	+10%	+20%
10%	40.87	42.91	44.95	46.99	49.03
15%	38.60	40.53	42.46	44.38	46.31
20%	36.33	38.14	39.96	41.77	43.59
25%	34.06	35.76	37.46	39.16	40.86
30%	31.79	33.38	34.96	36.55	38.14

Source: Workbook tab Sensitivities.

Takeaway: A 20% fall in BAM at a 20% discount takes fair value to USD 36.3, the current price: BAM is the risk the market is already pricing.

What is priced in

Exhibit 40 — What the price implies

Workbook tab Reverse (engine_BN)

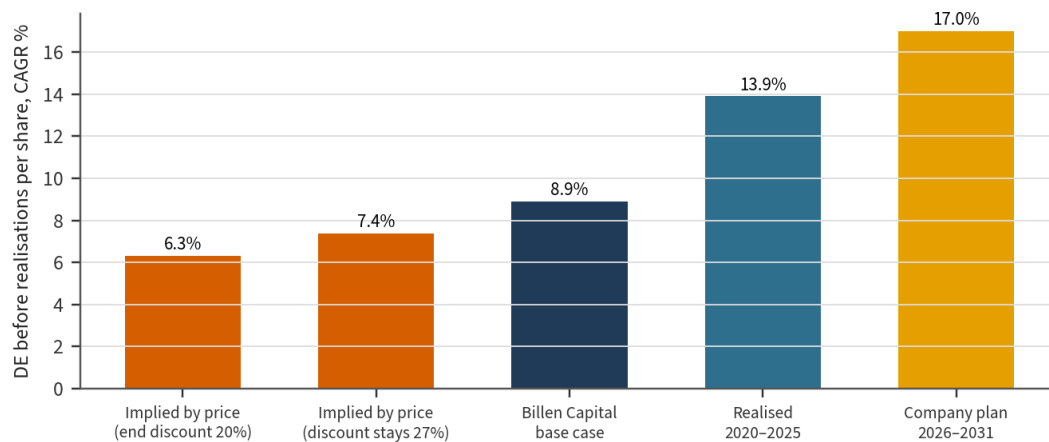
Measure	Value
Discount to our NAV	26.9%
Discount to management plan value	45.2%
Growth scalar on all base-case drivers that makes the 10-year IRR equal 10% (end discount 20%)	0.72
... implied year-1 BAM and Wealth DE growth	10.8%
... implied DE bfr / share CAGR, 10 years	6.3%
Same, with the discount held at 27%	7.4%
Billen Capital base case	8.9%
Realised 2020–2025	13.9%
Management plan 2026–2031 [M]	17.0%

Source: engine_BN.reverse(); workbook tab Reverse.

Takeaway: The price asks for DE per share to grow at 40–50% of the rate Brookfield has delivered; it does not flex the multiples, so if the market doubts the 21x on BAM or 11x on Wealth, the implied growth is higher and the conclusion weaker.

Exhibit 41 — DE-per-share growth: implied by the price against delivered and planned

CAGR %, DE before realisations per share

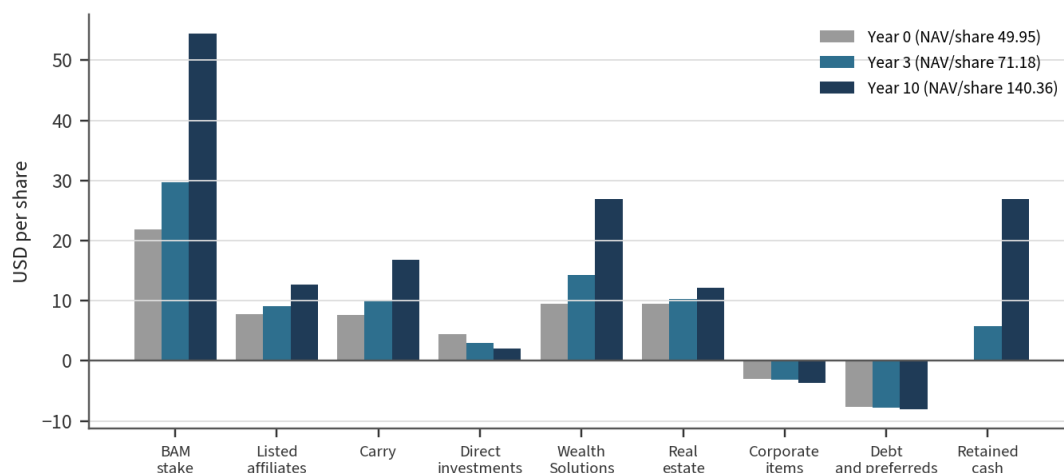


Source: engine_BN; AR25 p.3; ID26-S slide 47 [M].

Takeaway: The price implies less than half of the growth delivered since 2020.

Exhibit 42 — NAV per share by component: today, year 3 and year 10 (base case)

USD per share



Source: engine_BN base case.

Takeaway: By year 10 Wealth Solutions and retained cash rival BAM in the NAV; the base case is a bet on the insurance engine as much as on the fee engine.

I2 • Base rates

Exhibit 43 — Base rates: what happened to listed holding-company discounts

Qualitative; Billen Capital Research

Analogue	Discount then	What closed or widened it
Brookfield 2023 → 2025	51% → 33% to company value	DE growth and buybacks; no change in structure
BAM spin-off (Dec 2022)	Parent discount unchanged after spin	Simplification alone did not close the gap
Swedish investment companies (Investor, Industrivärden)	Historically narrow (not measured here)	Low costs, transparent listed NAV, steady buybacks
Conglomerates with level-3 heavy NAV	Persistently wide (not measured here)	Realisations at or above marks, not guidance

Source: Billen Capital Research; S-Q4-24 p.7; S-Q4-25 p.7. Only the Brookfield rows are measured; the others are qualitative analogues.

Takeaway: Discounts close through realisations and per-share compounding, not through announcements; re-rating is 13% of the five-year base-case return and none of the bear case.

So what for the valuation. Fair value USD 39.96–44.95; target price USD 40.00 from the scenario ladder (Section J). The two largest single sensitivities are the BAM price (±USD 4.5 per share for ±20%) and the Wealth multiple (±1.7 for ±2x).

J • Scenarios and sensitivities

The scenarios move every SOTP component, the parent's cash flows and the discount together. The severe case is calibrated on Brookfield's own history: the shares fell 28% from end-January to end-March 2020, and the predecessor's shares fell 82% from June 2007 to March 2009 on Fiscal.ai's split-adjusted price series (not adjusted for the 2008 spin-offs, which overstates the fall); we apply a 35% fall in BAM, 30% in the listed affiliates and a widening of the discount to 40%. Probabilities are left-skewed by construction and the weighted value sits below the base case.

Exhibit 44 — Five scenarios: the inputs that differ

Growth decays linearly from year 1 to year 10

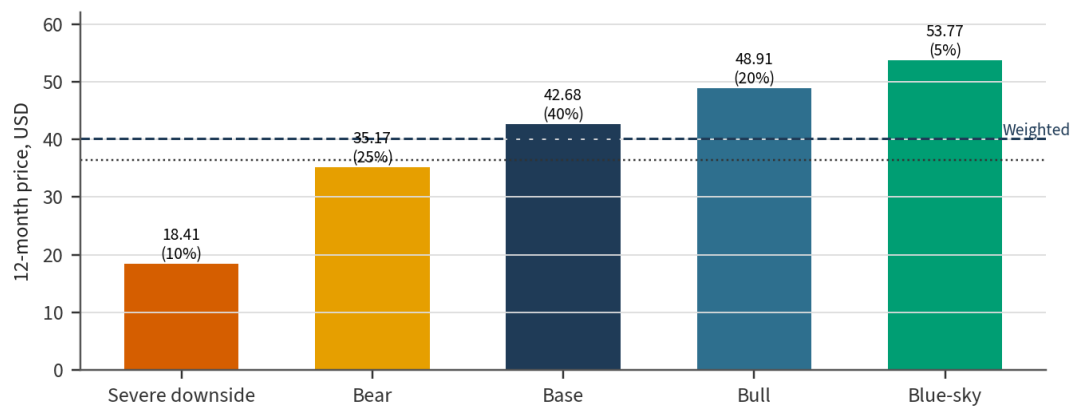
Driver	Severe	Bear	Base	Bull	Blue-sky
Probability	10%	25%	40%	20%	5%
Narrative	Credit and property shock; BAM de-rates to 14x	Slow realisation, peer multiples	Plan at about 60–70% of its growth rates	Plan largely delivered	Plan fully delivered
BAM DE growth	3% → 5%	9% → 5%	15% → 7%	18% → 8%	20% → 9%
BAM P/DE from year 5	14.0x	17.0x	21.0x	24.0x	26.0x
Wealth DE growth	3% → 4%	8% → 5%	15% → 6%	20% → 7%	23% → 8%
Wealth multiple	8.0x	9.0x	11.0x	13.0x	15.0x
Carry generation growth	-5% → 3%	2% → 4%	10% → 5%	18% → 6%	28% → 7%
Carry multiple	5.0x	6.0x	8.0x	10.0x	10.0x
Accumulated carry realised a year	6%	10%	15%	25%	30%
Buybacks, year 1 (USD m, +7% a year)	300	700	1,000	1,200	1,500
Affiliate price return	0% → 3%	2% → 3%	5% → 4%	8% → 5%	10% → 5%
Real-estate value growth	-2% → 1%	0% → 2%	2% → 2%	3% → 2%	4% → 3%
Return on retained cash	3%	5%	7%	9%	10%
End discount to NAV (years to reach)	40% (1)	32% (2)	20% (3)	12% (3)	5% (3)
Year-1 shock	BAM -35%, affiliates -30%, RE -15%, Wealth DE -20%, carry gen. -50%, DI -15%	—	—	—	—

Source: engine_BN.SCEN; workbook tab Scenarios. All Billen Capital Research estimates; plan rates [M] from ID26-S slide 73, 86, 162.

Takeaway: The base case assumes growth well below plan in every engine and a discount that closes only to 20%; the bull case, not the base, is management's plan.

Exhibit 45 — Twelve-month price by scenario and the probability-weighted target

USD per share; probability in brackets

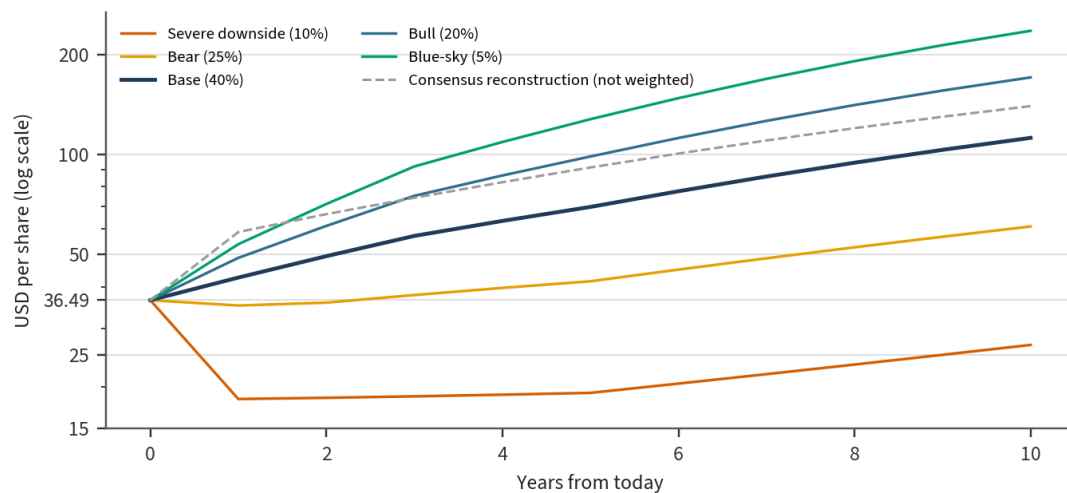


Source: engine_BN; workbook tab Scenarios.

Takeaway: The weighted value USD 40.17 is 5.9% below the base case: the severe tail carries 10% weight at -49%, the bull and blue-sky tails 25% at +35-48%.

Exhibit 46 — Price paths by scenario over ten years

USD per share, log scale



Source: engine_BN; Bigdata.com consensus reconstruction (not weighted).

Takeaway: The base path reaches USD 72 in five years; consensus is closer to our bull case than to our base.

Exhibit 47 — Multi-horizon returns by scenario

USD per share; IRR on price plus dividends (not reinvested), from USD 36.49

Scenario	Line	1 yr	3 yr	5 yr	7 yr	10 yr
Severe downside (10%)	Price	18.41	18.75	19.20	21.86	26.77
	NAV / share	30.68	31.25	32.01	36.44	44.61
	DE bfr / share	2.02	2.09	2.21	2.38	2.70
	Cum. dividends	0.30	0.96	1.72	2.59	4.14
	IRR	-48.7%	-18.6%	-10.5%	-5.6%	-1.6%
	IRR, discount held at 27%	-37.8%	-13.4%	-7.3%	-3.3%	-0.1%
Bear (25%)	Price	35.17	37.82	41.59	48.78	60.79
	NAV / share	49.86	55.61	61.17	71.73	89.40
	DE bfr / share	2.41	2.69	2.99	3.34	3.90
	Cum. dividends	0.30	0.96	1.72	2.59	4.14
	IRR	-2.8%	2.1%	3.5%	5.0%	5.9%
	IRR, discount held at 27%	0.6%	4.4%	4.9%	6.0%	6.6%
Base (40%)	Price	42.68	56.95	69.61	85.92	112.29
	NAV / share	56.63	71.18	87.01	107.40	140.36

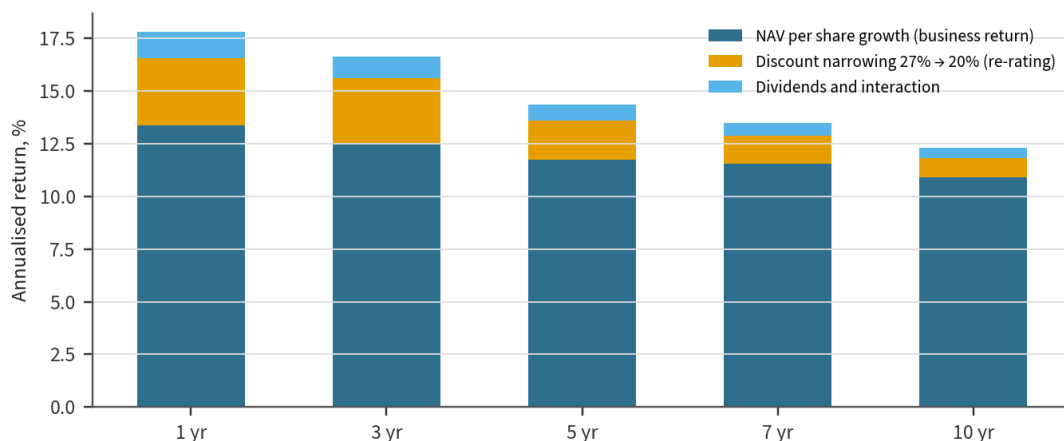
Scenario	Line	1 yr	3 yr	5 yr	7 yr	10 yr
	DE bfr / share	2.52	3.04	3.62	4.28	5.27
	Cum. dividends	0.30	0.96	1.72	2.59	4.14
	IRR	17.8%	16.6%	14.3%	13.5%	12.3%
	IRR, discount held at 27%	14.2%	13.3%	12.4%	12.2%	11.4%
Bull (20%)	Price	48.91	75.17	98.71	126.33	170.71
	NAV / share	62.68	85.42	112.17	143.56	193.99
	DE bfr / share	2.59	3.29	4.11	5.03	6.41
	Cum. dividends	0.30	0.96	1.72	2.59	4.14
	IRR	34.9%	27.8%	22.4%	19.8%	17.0%
	IRR, discount held at 27%	26.4%	20.3%	18.2%	16.8%	15.0%
Blue-sky (5%)	Price	53.77	92.15	127.81	169.04	235.67
	NAV / share	66.90	97.00	134.54	177.93	248.08
	DE bfr / share	2.63	3.47	4.47	5.64	7.40
	Cum. dividends	0.30	0.96	1.72	2.59	4.14
	IRR	48.2%	36.6%	28.8%	24.8%	20.7%
	IRR, discount held at 27%	34.9%	25.6%	22.6%	20.5%	17.9%
Probability-weighted value	IRR	10.9%	14.5%	13.3%	12.9%	12.0%

Source: engine_BN; workbook tab Returns. Billen Capital Research estimates.

Takeaway: Only the severe case loses money over five years; the bear case earns 3.5% a year, the base 14.3%, and holding the discount at 27% costs the base case about 1.9% a year.

Exhibit 48 — Where the base-case return comes from

% a year by horizon



Source: engine_BN.

Takeaway: Business return (NAV per share growth) is 10.9–13.4% a year across horizons; re-rating is front-loaded and fades to under one point a year by year 10.

Exhibit 49 — Full-cycle stress: a recession in years 2–4

Base case with BAM DE –5% in year 2, affiliates –15%, RE –8%, carry generation –30%; discount 35% / 40% / 35%, back to 20% by year 6

Horizon	DE bfr / share	NAV / share	Discount	Price	IRR
1 yr	2.52	56.63	24.6%	42.68	17.8%
3 yr	2.45	53.83	40.0%	32.30	–3.0%
5 yr	2.65	60.64	28.0%	43.66	4.5%
7 yr	3.12	74.71	20.0%	59.77	8.0%
10 yr	3.85	97.51	20.0%	78.01	8.5%

Source: engine_BN.project(BASE, recession=True).

Takeaway: A mid-plan recession costs the base case 3.8% a year over ten years but still returns 8.5%: the damage is to the path, not the destination.

Exhibit 50 — Expected value, upside/downside and probability of loss

USD per share; 12 months and 5 years

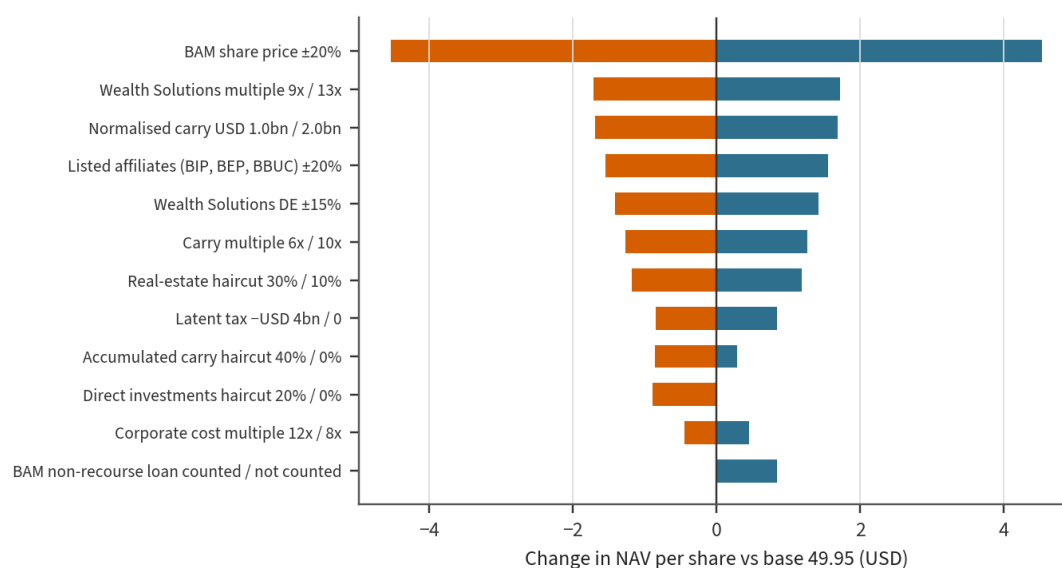
Scenario	Probability	12-month price	Contribution	5-year value (price + dividends)	5-year IRR
Severe downside	10%	18.41	1.84	20.93	-10.5%
Bear	25%	35.17	8.79	43.32	3.5%
Base	40%	42.68	17.07	71.33	14.3%
Bull	20%	48.91	9.78	100.44	22.4%
Blue-sky	5%	53.77	2.69	129.53	28.8%
Weighted	100%	40.17	40.17	68.02	13.3% (on weighted value)

Source: engine_BN. Upside/downside ratio (12 months) 2.96; probability of a loss over 1, 3 and 5 years 35%, 10% and 10%.

Takeaway: Upside/downside of 3.0 clears our 2.0 threshold, but the probability of a twelve-month loss is 35% and one-tenth sits in a scenario that halves the price; that tail sets position size, not the rating.

Exhibit 51 — Tornado: NAV per share sensitivity to twelve inputs

USD per share against base NAV 49.95



Source: engine_BN.tornado(); workbook tab Tornado.

Takeaway: BAM's share price moves our NAV almost as much as the next three inputs combined; the Wealth multiple and normalised carry, both CIO judgements, come next.

Exhibit 52 — Base-case five-year IRR: end discount against a growth scalar on every driver

% a year

End discount / growth ×	0.6	0.8	1.0	1.2
10%	12.8%	14.8%	16.9%	19.0%
20%	10.3%	12.3%	14.3%	16.4%
30%	7.6%	9.6%	11.5%	13.5%
40%	4.6%	6.5%	8.4%	10.3%

Source: engine_BN; workbook tab Sensitivities grid 3.

Takeaway: At a 30% end discount and 80% of our growth the five-year return is still positive; the combination that breaks the case is slower growth and a wider discount together.

Exhibit 53 — Price required for a five-year return at three hurdle rates

USD per share; price today USD 36.49

Hurdle	Base case clears at or below	Probability-weighted clears at or below
8%	48.55	46.29
10%	44.29	42.23
12%	40.48	38.60

Source: engine_BN.required_prices(); workbook tab Required return.

Takeaway: Today's price is below the level at which the weighted case earns 12% (USD 38.60); the base case still earns 8% up to USD 48.55.

The cost of being wrong slowly. If the base case arrives two years late — the year-5 value reached in year 7 — the annual return falls from 14.3% to 10.0%, still above the 8% hurdle.

So what for the valuation. Target price USD 40.00 (weighted twelve-month value). Five-year weighted return 13.3% against a 10% hurdle; upside/downside 3.0; probability of a five-year loss 10%.

K • Risk register, bear case and pre-mortem

Exhibit 54 — Risk register

Likelihood and severity on 1–5; NAV impact per share where quantifiable [BCR est.]

Risk	L	S	NAV impact	Leading indicator
BAM de-rates to peer multiples (17x DE)	3	4	–7.7	BAM P/DE vs KKR/APO; BAM fundraising
Carry realisation stays near USD 0.5bn a year	3	3	–1.7 (franchise to 1.0bn)	Quarterly realised carry vs USD 250m
Real-estate marks 15% too high on top of our haircut	2	3	–1.4	BPG dispositions vs carrying value
Wealth spread compression (real-asset gains fade)	3	3	–4.6 (gains out of DE)	Supplemental p.18 spread table
Insurance credit losses in private credit (33% of portfolio)	2	4	–2 to –4	BWS impairments; IG share
Regulatory: offshore reinsurance / Bermuda capital, affiliated assets	2	3	Multiple, not NAV	NAIC, Bermuda BMA consultations
Rates: lower rates cut the spread; higher rates cut real-asset values	3	2	±1–2	10-year UST; cap rates
BN/BWS combination delayed or restructured	2	2	Discount, not NAV	Closing announcement (late Q4-26)
Key person / succession (Bruce Flatt)	1	3	Discount	Governance announcements
Fee-rate pressure in wealth channels	2	2	Via BAM growth	BAM fee-rate disclosure
FX (USD/SEK) for a Swedish holder	3	2	Holder return only	USD/SEK
Correlated multi-hit: credit event + property down + BAM de-rate + discount to 40%	1	5	Severe scenario (–48% in 12 months)	All of the above

Source: Billen Capital Research estimates; impacts from engine_BN.tornado() and SOTP.

Takeaway: Three of the four largest impacts are market multiples (BAM, Wealth) and marks (real estate), not operations: the risk is in what the parts are worth, not in whether they grow.

BULL REGISTER (RANKED)

1. Fee-bearing capital +19% y/y to USD 672bn, above the 14% the 2031 target needs [S-Q2-26 p.12].
2. DE before realisations per share +15% in Q2-26 [S-Q2-26 p.6].
3. 45% discount to management value, near the end-2023 level after which the shares rose 72%.
4. Buybacks of USD 1bn a year at a discount accrete about 0.3% of NAV per share a year.
5. Corporate debt long-dated (15 years, 4.8%), A– rated; no maturity wall before 2031.
6. Wealth Solutions annualised DE USD 2.0bn with a 15%+ ROE target and USD 28bn a year of inflows [ID26-S slide 71, 154].
7. Oaktree now 100% owned (31 Jul 2026), simplifying credit economics [INT-Q2 p.94].
8. Simplification into New BN may bring index inclusion [L-Q1-26 p.6].
9. Listed affiliates trade 27–38% below consensus targets; recovery lifts NAV mechanically.
10. Carry-eligible capital USD 273bn, 60% of the 3-year carry from funds already past capital return [ID26-S slide 84, 86].
11. Insiders and the BAM Partnership are aligned owners (≈9% of Class A).

BEAR REGISTER (RANKED)

1. Realised carry USD 520m LTM against USD 1.67bn a year planned; ten-year history USD 4bn [S-Q2-26 p.6; ID26-T p.15].
2. Plan-value target (USD 140) deferred a year at each of the last two Investor Days.
3. BAM at 25.7x DE is 57–88% above KKR and Apollo; BAM is 44% of NAV.
4. 0.59pp of the Wealth spread is gains on real-asset strategies, not coupons [S-Q2-26 p.18].
5. Just Group earns about 0.8% and was financed partly with debt against BAM shares.
6. BWS capital ratios (BSCR, exact RBC) are not disclosed.
7. Real-estate fund returns fell from 21% (BSREP I) to 7% (BSREP IV) gross.
8. NCI is 72% of group equity; reported IFRS figures are not the shareholder's.
9. BWS holds USD 4.9bn of BN and BAM shares: circularity in the group's capital.
10. Dual-class control: Class B elects half the board.
11. Share count fell only 2.4% in 3.5 years despite USD 3bn of buybacks.

BEAR CASE, ARGUED AT FULL STRENGTH

Brookfield has changed what it is three times in five years — spinning off BAM, building an insurer by acquisition and now folding BWS back into a Bermuda parent — and each step made the numbers harder to check. Its plan value has been restated rather than reached. Carry, the part of the plan that most depends on exits, has run at a third of the plan rate for three years. The insurer's spread is flattered by marks on real assets that Brookfield itself manages, it holds BN and BAM shares, and its capital ratios are not published. BAM, the part the market can see, trades at a

multiple its peers do not command. On this reading the 27% discount is fair payment for a NAV that is half marks and half a multiple that may not last, and the stock is dead money until carry arrives in cash. We accept most of this, which is why our NAV sits 25% below management's; we reject the conclusion because the listed parts and the parent's cash generation alone cover most of today's price.

PRE-MORTEM

If this call has failed by September 2027, the most likely reasons, in order, are: BAM fell with the asset-management sector and took a fifth off our NAV; realised carry stayed near USD 0.5bn a year and the market wrote off the franchise; Wealth Solutions reported a spread below 1.6% as Just Group diluted it and real-asset gains fell away. None of these would have been a surprise; each is in the monitoring dashboard with a threshold.

K2 • Permanent impairment

Exhibit 55 — Permanent-impairment paths

Mechanism and the indicator that would show it early

Path	Mechanism	Leading indicator	Value at risk
Carry never realises	Fund marks fall; waterfalls not reached; accumulated balance written down	Realised carry < 250m a quarter for a year	USD 7.7 per share (all carry)
Insurance credit event	Private-credit losses in a leveraged annuity book; capital call on BN	BWS impairments; downgrades	Wealth value and more (capital injection)
Property marks reset	IFRS values fall 30%+; forced sales	BPG disposals below book	USD 1.2–2.4 per share beyond our haircut (30–40% fall)
BAM de-rating with slower fundraising	Multiple to 15x, growth to 8%	Flagship fund sizes vs predecessors	USD 9 per share
Discount becomes permanent	Complexity, control, circular holdings	Discount > 35% after New BN closes	Return, not NAV

Source: Billen Capital Research estimates.

Takeaway: Only the insurance path can cost more than the asset it hits, because the parent may have to recapitalise the insurer; that is the tail the severe scenario is built on.

So what for the valuation. The severe scenario (10% weight) combines the first three paths; the rating depends on the probability of the insurance path staying low, which is why BWS capital disclosure is our first question to management.

L • ESG and governance

Control. Class B shares held by the BAM Partnership elect half the board; Class A holders elect the other half. After the combination, Class B in New BN will sit in the Brookfield Partners Trust on the same principle [6-K 5 Jun 2026]. Management and directors hold about 9% of Class A [AIF24 p.35]. **Related parties.** Wealth Solutions holds USD 2.0bn of BN shares, USD 2.9bn of BAM shares and about USD 4.1bn of loans to Brookfield entities, and paid USD 92m of management fees to Brookfield in Q2-26 [BWS 6-K note 26]. **Environment.** BEP and BIP are among the largest private renewable and infrastructure owners; environmental exposure is concentrated in the affiliates, which we mark at market. We have not scored ESG ratings.

So what for the valuation. Governance and related-party circularity are in the structural discount (3–5% for control, 5–7% for complexity and disclosure), not in the NAV.

M • Monitoring dashboard

Exhibit 56 — Core indicators and thresholds

Current level = latest reported

Indicator	Current	Green	Amber	Red	Source
DE before realisations / share, growth y/y	0.61 vs 0.53 (+15%)	≥ 12%	8–12%	< 8%	Quarterly supplemental p. 6
Fee-bearing capital growth y/y	+19.4% (USD 672bn)	≥ 14%	10–14%	< 10%	BAM/BN supplemental
Net realised carry, quarterly	USD 121m (Q2-26)	≥ 400m	250–400m	< 250m avg Q3-26–Q2-27	S-Q2-26 p.6
Wealth Solutions DE, annualised	USD 2,030m	≥ 2,300m by Q2-27	2,030–2,300m	< 2,030m	S-Q2-26 p.17

Indicator	Current	Green	Amber	Red	Source
Wealth gross spread LTM (incl. Just)	1.94%	≥ 1.9%	1.6–1.9%	< 1.6%	S-Q2-26 p.18
Real-asset gains share of gross spread	0.59pp of 1.94%	≤ 0.5pp	0.5–0.8pp	> 0.8pp	S-Q2-26 p.18
Discount to our NAV	27%	≤ 20%	20–30%	> 30%	Workbook SOTP, monthly
BAM share price (44.97)	USD 44.97	≥ 45	38–45	< 38	Market, daily
Corporate liquidity	USD 5.6bn	≥ 5.0bn	4.0–5.0bn	< 4.0bn	S-Q2-26 p.9
Buybacks, rolling 4 quarters	USD 695m	≥ 800m	500–800m	< 500m	S-Q2-26 p.8
Company plan value / share	USD 66.64	≥ 67	62–67	< 62	S-Q2-26 p.7
BN/BWS combination closing	Expected late Q4-26	Closed by Q1-27	Delayed to Q2-27	Not closed by Q3-27	Company releases

Source: Workbook tab Monitoring dashboard; thresholds are Billen Capital Research estimates.

Takeaway: One indicator is red (realised carry, less than half the amber line) and six are amber, most within a few per cent of green: the thesis rests on the red one.

Exhibit 57 — Catalyst calendar

Dates as disclosed or estimated

Date	Event	What we watch
12 Nov 2026 (est.)	Q3-26 results	Realised carry vs USD 250m; DE bfr/share growth; Wealth spread ex-gains; Oaktree consolidation
Late Q4-26	BN/BWS combination closes (New BN, Bermuda)	Share count, dividend, index eligibility, capital disclosure for BWS
11 Feb 2027 (est.)	FY-26 results	Plan value per share vs 67; realised carry for the year; buybacks
Mar 2027 (est.)	Annual report / 40-F	Reserve and capital detail for Wealth Solutions; fund net returns
Q3 2027	Investor Day 2027	Is the USD 140 target held for 2031 or deferred again?

Source: Fiscal.ai events calendar (UIP-039); INT-Q2 p.5; Billen Capital Research.

Takeaway: The next three reporting dates each test one leg of the thesis: carry (Q3), structure (closing), and the plan target (FY-26).

So what for the valuation. Red on realised carry for two more quarters moves the carry franchise to USD 1.0bn (–USD 1.7 per share) and the rating to HOLD.

N • Conclusion, rating and decision rule

Rating: ACCUMULATE. Target price USD 40.00 (+9.6%). Fair value USD 39.96–44.95 (NAV 49.95 less a 10–20% structural discount). Five-year return on the probability-weighted value 13.3% a year against a 10% hurdle; base case 14.3%. Upside/downside 3.0; probability of a loss over twelve months 35%, over five years 10%. Conviction 3 of 5: the numbers support more, but 43% of the NAV rests on level-3 marks and on carry not yet generated, and the insurance capital position is not disclosed.

Decision rule. Add below USD 38.60, where the probability-weighted case clears a 12% hurdle over five years, provided no pillar is broken. Trim above USD 48.55, where the base case clears only 8%. Change the rating irrespective of price: to HOLD if realised net carry averages below USD 250m a quarter over Q3-26 to Q2-27, if DE before realisations per share grows below 8% in two consecutive quarters, or if the Wealth Solutions gross spread falls below 1.6%; to REDUCE if a Wealth Solutions capital call on the parent occurs. Upgrade to BUY if realised carry exceeds USD 400m a quarter for two quarters while the price is below USD 40, or if BWS publishes capital ratios that support a multiple of 13x or more.

What the CIO decides. The rating and the thresholds are research outputs. Position decisions, sizing and timing remain with the CIO.

So what for the valuation. Every number in this section is reproducible from the workbook tabs Scenarios, Returns and Required return.

O • Owner's manual

Brookfield is three businesses in one share. It owns most of a listed fee business, Brookfield Asset Management, which manages other people's money in infrastructure, renewable power, property and private credit and is paid a fee on it. It owns an insurance company that sells retirement annuities; the premiums are invested, much of it through Brookfield's own funds, and the insurer earns the difference between what the investments yield and what it pays savers. And it owns large stakes in listed infrastructure and renewable-power partnerships, a property company and many fund investments.

If you add up what those pieces are worth — using stock-market prices where they exist and cautious values elsewhere — and subtract the parent company's debts, you get about USD 49.95 a share. The share costs USD 36.49. The company's own figure is USD 66.64; ours is lower because we pay less for the insurer and for future performance fees, and we subtract head-office costs and possible taxes.

What has to go right: the fee business keeps growing around 15% a year; the insurer keeps earning a healthy margin without relying on gains on property it holds; and the performance fees Brookfield says it has earned start arriving in cash — about USD 400m a quarter, against USD 121m last quarter. If those happen, our base case puts the share at about USD 70 in five years.

What could go wrong: the stock market decides fee businesses deserve lower prices; property values turn out to be too high; the insurer has credit losses and needs money from the parent. In a bad year the share could halve.

What to watch each quarter: the performance fees received, the growth in distributable earnings per share, the insurer's margin, and how far below its asset value the share trades. Our view changes if the performance fees stay low for a year.

P • Unresolved questions and management Q&A

Exhibit 58 — Unresolved questions for management

What we would ask and why

Question	Why it matters
What share of Wealth Solutions' invested assets is managed by Brookfield, and what are the BSCR and RBC ratios?	Sets the multiple and the tail risk
Net carry generated by fund in 2025 and H1-26, and the expected realisation schedule of the USD 6.8bn balance?	Tests the USD 2.0bn generation and USD 5bn realisation claims
Is the second USD 1bn non-recourse loan secured on BAM shares, and on what terms?	We deduct it in full
Which part of the 0.59pp real-asset gains is realised cash?	Spread quality
How was the BN share of Oaktree's USD 3bn paid (cash, shares)?	Parent cash and share count
Size and use of the bond offering priced on 21 Sep 2026?	Parent leverage
Dividend withholding for a Swedish holder after the move to Bermuda?	Holder return
Why was the USD 140 plan value deferred from 2030 to 2031?	Credibility of targets
Are dividends on the USD 2.9bn of BAM shares held by BWS inside BWS DE, and is the Just Group loan charged in BWS DE?	Possible double counts of up to USD 1 per share
Net IRR, MOIC and DPI for the flagship real-estate and private-equity funds?	Mark credibility

Source: Billen Capital Research.

Takeaway: Five of the ten questions bear directly on the CIO judgements or the SOTP; favourable answers would justify moving toward management's multiples.

Q • Portfolio fit (SEK)

This report makes no portfolio link, by design. For position sizing we give a framework only: at conviction 3, an upside/downside of 3.0 and a severe case that halves the price in a year, the case supports a position at, not above, a normal weight for a core mandate; the insurance tail argues against concentration above that. For a SEK-based holder the return also carries USD/SEK: the model is in USD, and a 10% SEK appreciation over five years takes about 2 points a year off the SEK return. The weighting decision belongs to the CIO.

Appendices A1–A10

Exhibit 59 — A1 • SOTP inputs and sources

USD m unless stated

Input	Value	Source
BAM shares held, m	1,193.00	INT-Q2 p.54; S-Q2-26 p.7
BAM price, USD	44.97	Fiscal.ai NYSE_BAM close 29 Sep 2026
Non-recourse loan against BAM shares	2,000.00	S-Q2-26 p.7 endnote ("S2 billion"); INT-Q2 p.54: 53,507 – 51,507 [BCR est.]
BIP units held, m	207.10	INT-Q2 p.54
BIPC price, USD	35.69	Fiscal.ai NYSE_BIPC close 29 Sep 2026
BEP units held, m	309.40	INT-Q2 p.54
BEPC price, USD	28.10	Fiscal.ai NYSE_BEPC close 29 Sep 2026
BBUC shares held, m	89.10	INT-Q2 p.54
BBUC price, USD	25.26	Fiscal.ai NYSE_BBUC close 29 Sep 2026
Accumulated unrealised carry, net to BN	6,778.00	S-Q2-26 p.13; INT-Q2 p.39 (net to BN; gross 100% USD 12,484m)
Accumulated carry haircut (CIO judgement I-07)	10.0%	CIO judgement I-07 (analyst proposal 25%)
Normalised net carry generation (CIO judgement I-08)	1,500.00	CIO judgement I-08 (normalised net carry generation; company generates ~USD 2.0bn net today, ID26-S slide 86)
Carry multiple (CIO judgement I-09)	8.00	CIO judgement I-09 (company uses 10x)
Direct investments (IFRS fair value)	10,617.00	S-Q2-26 p.7, p.15
Direct investments haircut (CIO judgement I-11)	0.00	CIO judgement I-11 (analyst proposal 10%)
Wealth Solutions annualised DE	2,030.00	S-Q2-26 p.17 (annualised DE)
Wealth Solutions multiple (CIO judgement I-13)	11.00	CIO judgement I-13 (company uses 15x)
BPG common equity (blended)	28,030.00	S-Q2-26 p.7, p.22 (BPG blended common equity; IFRS 26,706)
Real-estate haircut (CIO judgement I-21)	20.0%	CIO judgement I-21
Other (energy contracts)	889.00	S-Q2-26 p.19 (energy contracts)
Corporate working capital	–682.00	S-Q2-26 p.26 (blended; IFRS –1,143)
Corporate operating FFO deficit, LTM	530.00	S-Q2-26 p.26 (LTM corporate operating FFO deficit)
Corporate cost multiple (CIO judgement I-25)	10.00	CIO judgement I-25
Latent deferred tax (CIO judgement I-26)	–2,000.00	CIO judgement I-26 (low confidence)
Corporate borrowings	14,711.00	INT-Q2 p.49–50: term debt 14,360 + CP 459 – costs 108 (S-Q2-26 p.9 shows term debt 14,252 nominal)
Perpetual preferreds	3,475.00	S-Q2-26 p.26 (blended; IFRS 4,318)

Source: Workbook tab Inputs.

Takeaway: Every input is either reported with a page reference or a CIO judgement; none is a database figure.

A2–A4 • History, scenario inputs and comps

The ten-year history is Exhibit 5; scenario inputs Exhibit 44; peers Exhibits 18 and 19. The full series are in the workbook tabs History, Scenarios and Comps.

Exhibit 60 — A5 • Non-IFRS glossary

As defined by the company, then used consistently

Term	Definition used
Distributable earnings (DE)	Company measure of earnings available for distribution; counts BAM at its dividend, excludes unrealised gains and depreciation.
DE before realisations	DE excluding realised carried interest and disposition gains.
Blended capital / plan value	Company value of the parent: listed holdings at market, private holdings at fair value or management multiples, less debt and preferreds.
Fee-bearing capital	Capital on which BAM earns fees, at 100%.
Accumulated unrealised carry	Carry earned on fund marks but not yet realised, net to BN.
Annualised DE (Wealth Solutions)	Company run-rate of the insurer's DE including acquisitions (USD 2,030m at Q2-26).

Source: AR25; S-Q2-26 endnotes.

Takeaway: We quote these measures because the company reports them; we value on assets.**A6 • Source register**

- AR25 — Brookfield Corporation 2025 Annual Report (Mac: 01 Source Documents)
- S-Q4-24, S-Q4-25, S-Q1-26 — BN supplementals (Mac)
- S-Q2-26 — BN Q2 2026 Supplemental, Bigdata.com document AB02A579976AF27657A4C39B967D843B (reserve: Fiscal.ai does not carry the supplemental)
- INT-Q2 — BN Q2 2026 Interim Report, Fiscal.ai filing 0000000494-26-25925182
- ID26-S / ID26-T — Investor Day 2026 slides and transcript, 17 Sep 2026 (Mac)
- IR25, ID24 — Investor Day 2025 and 2024 presentations (Mac)
- AIF24 — Annual Information Form 2024 (ratings)
- BWS 6-K Q2 2026 and 20-F FY2025 — via Bigdata.com (reserve: BWS not in Fiscal.ai)
- Apollo Q2 2026 presentation, Athene 10-Q Q2 2026, KKR Q2 2026 release — via Bigdata.com (reserve: Fiscal.ai lacks Q2 insurance metrics)
- Prices, splits, KPIs — Fiscal.ai (company_stock_prices, company_stock_splits, company_segments_and_kpis) 29–30 Sep 2026
- Consensus — Bigdata.com company tearsheet (FMP data) 30 Sep 2026; FactSet via MT Newswires Apr/May 2026; Koyfin 24 Jul 2026 (reserve: Fiscal.ai has no consensus; FMP plan-restricted)
- CIO judgements — BN-OJ-CIO-002 (30 Sep 2026); SOTP v0.7 (01 Companies/Brookfield Corporation/03 Financials & Valuation)

Exhibit 61 — A7 • Assumption register with sensitivity rank

Rank from the tornado (NAV per share) and the projection

Assumption	Base	Owner	Rank
BAM share price (market)	USD 44.97	Market	1
Wealth multiple	11x	CIO (I-13)	2
Normalised carry	USD 1.5bn	CIO (I-08)	3
Listed affiliate prices	Market	Market	4
Wealth annualised DE	USD 2,030m	Reported	5
Carry multiple	8x	CIO (I-09)	6
Real-estate haircut	20%	CIO (I-21)	7
Latent tax	–USD 2bn	CIO (I-26)	8
BAM DE growth	15% → 7%	BCR est.	projection
End discount to NAV	20% by year 3	BCR est.	projection
Wealth DE growth	15% → 6%	BCR est.	projection
Buyback share of free cash	40%	BCR est.	projection

Source: engine_BN.tornado(); workbook tabs Tornado, Scenarios.

Takeaway: BAM's market price outranks every judgement; the Wealth multiple and normalised carry come next; the projection assumptions matter for the paths, not today's NAV.

A8 • Disclaimer. This report is produced by Billen Capital Research for private investment purposes. It is not investment advice, an offer, or a solicitation to buy or sell any security, and it takes no account of the objectives, financial situation or needs of any recipient. The analysis reflects judgements and estimates as at the date shown, which are subject to change without notice. Information has been obtained from sources believed to be reliable, principally the company's own published disclosures; no representation is made as to its accuracy or completeness, and figures marked [BCR est.] are estimates rather than reported data. Forecasts are inherently uncertain and actual outcomes may differ materially. Past performance is not indicative of future results. The author's position in the securities discussed is not disclosed in this report; position decisions rest with the CIO. Recipients should form their own view and, where appropriate, seek independent advice.

Exhibit 62 — A9 • Verification log — Gate B

Model value read against the primary source, 30 Sep 2026

Item	Model	Document and page	Result
1. BAM-aktier ägda av BN	1193.0 m	INT s.54; Supp s.7 och s.12	OK
2. Corporate borrowings inkl. commercial paper	14711 USD m (CP 459)	INT s.49 (kapitalisering) och s.50 (Corporate Borrowings-tabell); Supp s. 26, s.28, s.9 not	OK
3. Perpetual preferreds (blended)	3475 USD m	Supp s.9 och s.26	OK
4. Fullt utspädda aktier	2366.0 m	Supp s.29 (+ endnot till s.7)	OK
5. Ackumulerad orealiserad carry, netto till BN	6778 USD m	Supp s.13	OK
6. Wealth Solutions annualiserad DE	2030 USD m	Supp s.17 (även s.6, s.7)	OK
7. BPG blended common equity	28030 (28029) USD m	Supp s.7 (28,029); s.22 (28,030)	OK
8. Direct investments	10617 USD m	Supp s.7	OK
9. Non-recourse-lån mot BAM-aktier	2000 USD m	Supp endnot till s.7 (endnotsektionen s.36+); INT s.54	OK
10. DE före realisationer LTM	5652 USD m / 2.39 per aktie	Supp s.6 (även s.8, s.10)	OK
11. Blended capital, net	157674 USD m / 66.64 per aktie	Supp s.7	OK
12. Corporate liquidity	5636 USD m	Supp s.9	OK

Source: Independent verification pass against S-Q2-26 (Bigdata.com) and INT-Q2 (Fiscal.ai filing_pdf); workbook tab Verification log.

Takeaway: Twelve of twelve checks pass; Gate B is clear.

Exhibit 63 — A10 • CIO judgement record BN-OJ-CIO-002 (30 Sep 2026)

Analyst proposal against CIO choice

Id	Judgement	Proposal	CIO
I-07	Accumulated carry haircut	25%	10%
I-08	Normalised net carry	USD 1.5bn	USD 1.5bn
I-09	Carry multiple	8x	8x
I-11	Direct investments haircut	10%	0%
I-13	Wealth Solutions multiple	11x	11x
I-21	Real-estate haircut	20%	20%
I-25	Corporate cost multiple	10x	10x
I-26	Latent tax	–USD 2bn	–USD 2bn

Source: BN-OJ-CIO-002 (01 Companies/Brookfield Corporation/04 Evidence & Monitoring/06 CIO Decisions & Reviews).

Takeaway: The CIO's two departures from the proposals add USD 0.87 per share to NAV.

Self-audit

Check	Result
Security structure and cash path stated	Yes — A0
Recurring vs transactional split quantified	Yes — DE before realisations vs realised carry (A, F)
Unit economics / LTV-CAC	Not applicable to a holding company; replaced by spread economics (C3) and carry economics (C2)
Growth initiatives: contracted vs aspirational, TP dependency stated	Yes — flag line: 10.2% of NAV rests on carry not yet generated
Reconciliations	Yes — consolidated → parent (A0), company plan → our NAV (I), DE cash classification (F2)
Forensic screens (Beneish, Altman, Piotroski)	Not computed: not meaningful for a holding company with 72% NCI; replaced by the earnings-quality audit (F2)

Check	Result
Five scenarios incl. severe, returns 1/3/5/7/10	Yes — J
Consensus scenario reconstructed	Yes, as a reference path (not weighted) — H1, J
Weighted value below base (left skew)	Yes — 40.17 vs 42.68
Probabilities sum to 100%	Yes — workbook check OK
Five DCF end-points (EV/EBITA, P/E)	Overridden by sector module D: SOTP primary; fee engine cross-checked on three DE end-points (Gordon, P/DE exit yr 5 and yr 10) with the Gordon/exit check (C1)
Reverse valuation with what it does not flex	Yes — I
Required-return prices at 8/10/12%	Yes — J
Five-year holding return vs hurdle	Yes — 13.3% weighted vs 10%
Double-counting	Fees on insurance assets vs insurer value: none (C3); carry accumulated vs franchise: resolved (C2); three intra-group items quantified but unadjusted, up to about USD 1 per share (C3)
Ownership percentages confirmed	Yes, with the BBUC conflict flagged (27%/69% vs 43%)
Gate B	Yes — 12 of 12 OK (A9)
Engine calibrated to workbook	Yes — base path within 0.1% every year; NAV to the dollar
Executive-summary numbers match exhibits	Yes — all drawn from the recalculated workbook or the engine
Page-break check (\$1B)	Run on the rendered PDF: no page ends on a heading; four pages mid-section end at 62–69% of the text block because a chart exhibit cannot split — accepted, not a stranded heading
Length	35 pages against the 45–70 target: operating-company sections that do not apply to a holding company (unit economics, forensic scores, segment revenue bridges) are replaced rather than padded; 63 exhibits against a minimum of 40
Not done	Like-for-like SOTP of KKR and Apollo component by component (disclosures not held); realised fund net IRR/DPI; BWS capital ratios; ten-year NAV-discount series on our basis

Audit note: arithmetic totals re-checked in the recalculated workbook (all purple checks OK); scenario probabilities sum to 100%; the target price, fair-value range, NAV and returns quoted in the summary are read from the same cells as the exhibits.