

Brookfield

Renewable Partners

LETTER TO SHAREHOLDERS

The business continues to perform well. As we approach the end of 2016, we remain on track to achieve our objectives we set at the start of this year. In the first nine months of this year, we invested approximately \$1 billion of equity alongside our institutional partners to acquire over 3,000 megawatts of hydroelectric assets in North and South America. We have also acquired, with our partners, a 35% interest in the public float of TerraForm Power Inc., a publicly-listed company with a 3,000 megawatt portfolio of high quality solar and wind assets. Finally, we deployed \$120 million to build out 200 megawatts of our late stage development projects at premium returns.

During the year we saw renewable assets across our core markets transact at premium values. In this environment we have remained disciplined with our acquisitions in order to continue to deliver total shareholder returns of 12-15% annually. To do this, we have focused on investments where our operating expertise and counter-cyclical approach enable us to secure growth at attractive returns. Moreover, we continue to identify a range of new investment opportunities with the potential for significant cash flow growth in the long run.

Investment Environment

The investment environment remains attractive across all of our targeted markets.

In North America, we are looking at opportunities to acquire hydro, wind and solar across multiple markets. All of these potential opportunities reflect themes that we have discussed in the past - a prolonged period of low energy prices across most North American power markets and balance sheet distress, leading to companies in need of both strong financial sponsorship and operational expertise to optimize cash flows. As described earlier, we have a significant investment in Terraform Power. We believe that we are best suited to provide strong operational and financial sponsorship to Terraform given our global presence; internalized operating, development and power marketing capabilities; as well as balance sheet and financial strength. We look forward to agreeing on a path forward with this company shortly.

Renewable and clean energy policies continue to gather momentum, with individual states and companies primarily driving the agenda. New England's recent Tri-State Clean Energy RFP, Massachusetts' clean energy legislation and New York's Clean Energy Standard program, which calls for 50% of generation to come from clean sources by 2030, are examples of large-scale procurement activity in the Northeastern U.S. this past year. Numerous other initiatives to address climate change are also winding their way through the legislative and policy-making process in various jurisdictions and we believe that many of these will be implemented in due course.

While most of the activity around renewable policies has so far been state-level initiatives, the outcome of the upcoming U.S. presidential election will in part determine the extent of federal support for incentives and policies like the Clean Power Plan or something similar to Canada's recently announced federal carbon price. Needless to say, our business is not built around any specific short-run political cycles and we believe the positive trends we are seeing will continue to advance regardless of the outcome. To that point, there are now 60% of Fortune 100 companies with renewable electricity or climate change policies, and 81 companies globally who have committed to 100% renewable electricity use.

We also continue to integrate a 296 megawatt hydroelectric portfolio in Pennsylvania, the latest of our acquisitions in the northeastern United States. This portfolio combines high-quality hydro assets, strong cash-on-cash returns in today's low price environment, and significant upside potential as pricing in the U.S. recovers.

In Europe, we have continued to focus on building out our development pipeline to achieve our targeted returns. In Ireland, we recently commissioned a 14 megawatt wind farm and continue to advance two other wind projects totaling 43 megawatts. We also acquired a 19 megawatt build-ready project close to one of our existing wind farms and expect to commence construction by year end, for completion in early 2018. These projects are expected to deliver mid-teens returns in a market where contracted assets and portfolios attract considerable bids at much stronger levels. Consequently, we are exploring the opportunistic sale of some of our fully contracted, operating wind farms in order to surface value and recycle capital into higher-return assets.

We continue to build out three small hydroelectric facilities in Brazil totaling approximately 70 MW of installed capacity, fully-contracted for 30 years. The facilities are expected to generate returns in the 20% range over the life of the assets, with the first of the three facilities expected to be commissioned in the first quarter of 2017.

In Colombia, we increased our ownership interest in the 3,000 megawatt Isagen hydroelectric portfolio to 99.6%. Our net share in this high-quality portfolio is 24%. This business continues to perform in line with our expectations and has strong long-term growth prospects in an undersupplied market. In addition to the operating plants, we are starting to advance 100 megawatts of development in this market as we execute our business plan and look for add-on growth opportunities.

Operating Results and Liquidity

Adjusted EBITDA of \$332 million and Funds From Operations of \$73 million in the third quarter were consistent with the same period of the prior year. We continued to experience improved hydrology in Brazil and strong wind conditions at our European and South American wind farms. In contrast, inflows in North America were lower than average reflecting the drier than normal summer in most regions. Cash flow from recently acquired assets helped to offset some of this impact. The third quarter is seasonally our lowest from a generation perspective and as in prior years, we take advantage of lower inflows and our storage capabilities to perform a majority of our sustaining capital and asset optimization work.

In North America, power markets continue to show signs of dysfunction as the cost of significantly reducing emissions, especially in regions with low access to renewables, continues to exceed the wholesale market signal (spot prices). In New England, for example, we are seeing clear signs of a market that appears to be dysfunctional. The aforementioned Clean Energy RFP sponsored by three different states failed to get even close to its 5 TWh per year target by selecting less than 1 TWh of projects, despite incentives. This is also a region where, despite winter pricing that is still at \$75/MWh, nuclear facilities are threatening to shut down due to a lack of revenue. This situation is unsustainable and is also reflected in the continued strength of capacity prices which have risen in the last few years in response to the depressed wholesale prices. All of this points to higher power prices in the future to incentivize the new supply that is required.

In Brazil, we are beginning to see signs of improvement in the economy which is leading to an increase in both power demand and wholesale market prices relative to earlier in the year. Current spot power prices have rebounded to R\$150/MWh from recent lows of approximately R\$50/MWh, while reservoirs are now approximately 40% of their long-term average heading into the rainy season. We continue to engage

many commercial and industrial customers seeking contracting opportunities and during the third quarter were successful in securing 3 to 4 year contracts for the sale of 166 GWh of power annually at an average price of R\$230/MWh.

In Europe, our build-out of a marketing group is starting to bear fruit, with revenues of over €2.5 million generated in 2016 through power marketing activities. This is being achieved by selling power over the Ireland/UK interconnector, capturing higher prices at times of peak demand in the UK. A significant portion of this value is being surfaced through optimizing revenue contracts and through the sale of green credits into higher value markets. Further development work is underway to develop these activities across other European jurisdictions.

Our liquidity position at quarter-end remained strong at \$1.3 billion. We completed a number of financing activities in the third quarter, including the issuance of 10 year, C\$500 million medium-term notes at a 3.6% coupon. In addition, we raised COP 300 billion (approximately US \$100 million) of bonds at Isagen at a rate lower than our underwriting assumption. The proceeds will enable us to repay maturing borrowings while surfacing additional funds for future growth.

Looking Ahead

In the months ahead, we will look to advance our growth plans by progressing on our transaction pipeline, building out our hydro and wind development projects and pursuing capital recycling activities on an opportunistic basis.

We look forward to reporting on our progress next quarter and are grateful for your continued support.

Sincerely,



Sachin Shah
Chief Executive Officer

November 3, 2016

Cautionary Statement Regarding Forward-looking Statements

This shareholder letter contains forward-looking statements and information within the meaning of Canadian provincial securities laws and "forward-looking statements" within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended, Section 21E of the U.S. Securities Exchange Act of 1934, as amended, "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995 and in any applicable Canadian securities regulations. The words "will", "should", "could", "potential", "tend to", "target" "future", "growth", "expect", "believe", "goal", "plan", derivatives thereof and other expressions which are predictions of or indicate future events, trends or prospects and which do not relate to historical matters identify the above mentioned and other forward-looking statements. Forward-looking statements in this shareholder letter include statements regarding the quality of Brookfield Renewable's business, the expectation for future cash flows and distribution growth, the availability of acquisition opportunities, liquidity, and the timing and completion of acquisitions and development projects. Although Brookfield Renewable believes that these forward-looking statements and information are based upon reasonable assumptions and expectations, you should not place undue reliance on them, or any other forward looking statements or information in this shareholder letter. The future performance and prospects of Brookfield Renewable are subject to a number of known and unknown risks and uncertainties. Factors that could cause actual results of Brookfield Renewable to differ materially from those contemplated or implied by the statements in this shareholder letter include economic conditions in the jurisdictions in which we operate; our ability to sell products and services under contract or into merchant energy markets; weather conditions and other factors which may impact generation

levels at our facilities; changes to government regulations, including incentives for renewable energy; our ability to grow within our current markets or expand into new markets; our ability to complete development and capital projects on time and on budget; our inability to finance our operations or fund future acquisitions due to the status of the capital markets; the ability to effectively source, complete and integrate new acquisitions and to realize the benefits of such acquisitions; health, safety, security or environmental incidents; regulatory risks relating to the power markets in which we operate, including relating to the regulation of our assets, licensing and litigation; risks relating to our internal control environment; our lack of control over all of our operations; contract counterparties not fulfilling their obligations; and other risks associated with the construction, development and operation of power generating facilities.

We caution that the foregoing list of important factors that may affect future results is not exhaustive. The forward-looking statements represent our views as of the date of this shareholder letter and should not be relied upon as representing our views as of any subsequent date. While we anticipate that subsequent events and developments may cause our views to change, we disclaim any obligation to update the forward-looking statements, other than as required by applicable law. For further information on these known and unknown risks, please see "Risk Factors" included in our Form 20-F.

CAUTIONARY STATEMENT REGARDING USE OF NON-IFRS MEASURES

This shareholder letter contains references to Adjusted EBITDA and Funds From Operations, which are not generally accepted accounting measures under IFRS and therefore may differ from definitions of Adjusted EBITDA and Funds From Operations used by other entities. We believe that these are useful supplemental measures that may assist investors in assessing the financial performance and the cash anticipated to be generated by our operating portfolio. Neither Adjusted EBITDA nor Funds From Operations should be considered as the sole measure of our performance and should not be considered in isolation from, or as a substitute for, analysis of our financial statements prepared in accordance with IFRS.

References to Brookfield Renewable are to Brookfield Renewable Partners L.P. together with its subsidiary and operating entities unless the context reflects otherwise.