

**Brookfield** Renewable Energy Partners L.P.  
SUPPLEMENTAL INFORMATION  
FOR THE THREE MONTHS ENDED MARCH 31, 2012

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## OUR OPERATIONS

We operate our facilities through three regional operating centers in the United States, Brazil and Canada which are designed to maintain and enhance the value of our assets, while cultivating positive relations with local stakeholders. We own and manage 170 hydroelectric generating stations, seven wind facilities, and two natural gas-fired plants. Overall, the assets we own or manage have 4,909 MW of generating capacity and annual generation of 18,292 GWh based on long-term averages. The table below outlines our portfolio as at March 31, 2012:

Markets	Rivers	Generating Stations	Generating Units	Capacity <sup>(1)</sup> (MW)	LTA <sup>(2)</sup> (GWh)	Storage (GWh)
<b>Operating Assets</b>						
Hydroelectric generation						
United States	26	103	292	1,966	7,020	2,146
Canada	18	32	72	1,323	5,061	1,261
Brazil <sup>(3)</sup>	23	35	79	626	3,541	N/A
	67	170	443	3,915	15,622	3,407
Wind energy						
Canada	-	3	220	406	1,197	-
United States <sup>(4)</sup>	-	4	156	373	952	-
	-	7	376	779	2,149	-
Other	-	2	6	215	521	-
<b>Total from operating assets</b>	<b>67</b>	<b>179</b>	<b>825</b>	<b>4,909</b>	<b>18,292</b>	<b>3,407</b>

(1) Total net capacity including our share of equity-accounted investments is 4,512 MW.

(2) Long-term average ("LTA") is the expected average level of generation as obtained from the results of a simulation based on historical inflow data, performed over a period of typically 30 years.

(3) Brazil hydro assets benefit from a market framework which levelizes generation across producers.

(4) Includes annualized LTA for facilities acquired or commissioned during the year.

### Statement Regarding Forward-Looking Statements and Use of Non-IFRS Accounting Measures

This Supplemental Information contains forward-looking information within the meaning of Canadian securities laws. We may make such statements in this Supplemental Information, in other filings with Canadian regulators or the U.S. Securities and Exchange Commission or in other communications. See "Cautionary Statement Regarding Forward-Looking Statements" beginning on page 16. We make use of non-IFRS measures in this Supplemental Information as disclosed further on page 17. This Supplemental Information and additional information, including our Annual Information Form, are available on our website at [www.brookfieldrenewable.com](http://www.brookfieldrenewable.com) and on SEDAR's website at [www.sedar.com](http://www.sedar.com).

## **LETTER TO UNITHOLDERS**

I am pleased to report our first quarter results as well as continued progress across our renewable power operations.

For the first three months of 2012, total generation across the portfolio was 4,817 GWh or 6% higher than the long-term average of 4,557 GWh. Funds from operations in the quarter was also strong at \$175 million as compared to \$122 million in the first quarter of 2011 on a pro forma basis. These results reflect improved hydrological conditions including strong inflows from the early arrival of spring in North America. Generation from our wind portfolio was also above expectations and considerably higher than the prior year due to favourable wind conditions and the contribution from new assets in Canada and the United States.

As previously announced, our quarterly distribution was increased to \$1.38 per unit on an annualized basis, effective with the first quarter. We are well positioned relative to our distribution payout policy of 60% to 70% of funds from operations and remain confident in our ability to produce long-term distribution growth in the range of 3% to 5% annually.

We have continued to expand our business in both the hydroelectric and wind segments. As previously indicated we recently completed the construction of two new hydroelectric facilities in the United States with a combined capacity of 16 MW. In Brazil, development continues as planned on two hydroelectric generating stations with a combined capacity of 48 MW which are expected to enter commercial operations in early 2013. We also anticipate the start of construction of our 45 MW project in western Canada in the coming months, following the receipt of both provincial and federal approvals.

While we maintain a predominantly hydroelectric focus, we have also assembled a high-quality wind portfolio which provides our business with attractive long-term assets and resource diversification. Our operating wind capacity today is nearly 800 MW and includes facilities in attractive markets in Canada and the United States.

### **Growing in the California Market**

As I indicated in my last quarterly letter, we recently acquired significant additional wind generation in California's Tehachapi region. Having had no presence in California's renewable power sector prior to 2010, this represents a relatively new market for us, and our expansion there is indicative of both our growth strategy and operating philosophy.

We were drawn to the Tehachapi region for a number of reasons. First, the area benefits from an attractive, proven wind resource and was one of the first areas in the United States to experience wind generation assets on a commercial scale. The wind resource is therefore not only attractive, but has many years of data supporting it. The region also benefits from its close proximity to the demand centers in the southern part of the state, most notably the greater Los Angeles area, one of the most populous and fastest-growing regions in the country. The relatively limited availability of land for wind power development, combined with strong demand, underpin the attractiveness of this market.

Together with a 30 MW hydroelectric facility in the northern part of the state, we now own over 300 MW of renewable power generating capacity in California. We would like to continue to expand our asset base as the market is appealing for a number of reasons. Despite being one of the largest power markets with 60,000 MW of installed capacity, the California market will require new supply over the next decade – a significant portion of which is intended to come from renewable resources. California's Renewables Power Standard currently

mandates that 33% of the state's electricity supply must be met by renewable sources by 2020. Among the available options, wind power assets such as ours offer the most scale and the lowest cost to meet these future supply requirements.

In short, the combination of high-value resources and strong long-term fundamentals make California a desirable place for further expansion and we will continue to pursue new opportunities in the region, as we will in our other core markets which share many of these attributes. Our United States platform enables us to integrate new assets in a highly efficient and cost-effective manner.

### **Looking Ahead**

We remain very well-positioned to achieve our objectives for the year. From a financial perspective, we recently increased the size of our credit facilities from \$600 million to \$900 million and expanded participation in the facility to include several new financial institutions of global scale. This increase in our credit facilities and the new relationships will enhance our ability to carry out our long-term expansion plans.

We also continue to move forward with our plans to enhance our capital markets profile, having recently filed a registration statement with the Securities and Exchange Commission – the first step in achieving an anticipated listing on the New York Stock Exchange. Subject to receiving the required approvals, we would expect to be listed in the second half of 2012. During the quarter, we also implemented a distribution re-investment plan for those unitholders seeking to receive their distributions in the form of additional units. We expect that the plan, which is currently available to Canadian resident unitholders, will be expanded to include U.S. unitholders following our listing on the New York Stock Exchange. We expect these initiatives to make it easier for unitholders to participate in our growth over time.

Clearly, Brookfield Renewable is off to a strong start in 2012. We remain grateful for the continued support of our unitholders and enthusiastically look forward to what we expect will be a year of positive milestones and opportunities.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard Legault". The signature is fluid and cursive, with the first name being more prominent.

Richard Legault

President and Chief Executive Officer

# Supplemental Information

## For the three months ended March 31, 2012

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### **QUARTERLY HIGHLIGHTS**

#### **Portfolio growth**

We acquired new wind generation assets in California, including a 150 MW wind facility in the Tehachapi region, with certain institutional partners. This facility entered commercial operation in January 2012 and comes with a 24-year power purchase agreement.

We also acquired, the remaining 50% stake of a 102 MW wind facility previously held by our partner along with a further 22 MW of additional operating wind generation capacity. These facilities were in commercial operation by the end of the quarter. Power produced from the facilities will be sold under a 20-year power purchase agreement with a large, local utility.

#### **Corporate and subsidiary borrowings**

During the quarter, we issued C\$400 million of 10-year term corporate notes bearing interest at a rate of 4.79% per annum. Proceeds of the offering were used to reduce borrowings, extend the term on our overall maturity profile and reduce overall cost of capital.

We also increased the size of our revolving credit facilities from \$600 million to \$900 million, while extending maturities to October 2016 for the new facilities.

#### **Capital markets initiatives**

We announced an increase in unitholder distributions to \$1.38 per unit on an annualized basis, representing an increase of three cents per unit per year. The first quarter distribution was paid in April 2012.

On April 30, 2012 we filed a registration statement with the Securities and Exchange Commission (SEC) in connection with an anticipated listing on the New York Stock Exchange (NYSE) during the year.

During the quarter, a distribution re-investment plan (DRIP) was implemented, which allows holders of its limited partnership units who are residents of Canada to acquire additional units by reinvesting all or a portion of their cash distributions in the form of new units without paying commissions. We expect the DRIP and NYSE listing to make it easier for existing and new unitholders to participate in our growth over time, thereby enhancing our access to capital.

#### **Financial and operating results**

Generation for the period ended March 31, 2012 was 4,817 GWh or 23% higher than 3,924 GWh in the same period of the prior year, and 6% higher than the long-term average of 4,557 GWh. Revenues totaled \$430 million or \$89 per MWh for the three months ended March 31, 2012, representing a year-over-year increase of \$102 million on a pro forma basis. The increase in hydroelectric generation over the prior year reflects strong inflows in North America from the arrival of early spring conditions, as well as a new facility in Brazil. Generation from wind was also above expectations and considerably higher than the prior year due to improved wind conditions in Eastern Canada and the contribution from newly built or acquired wind farms in Canada and the United States. Funds from operations for the three months ended March 31, 2012 was \$175 million, representing a \$53 million or 43% year-over-year increase on a *pro forma* basis.

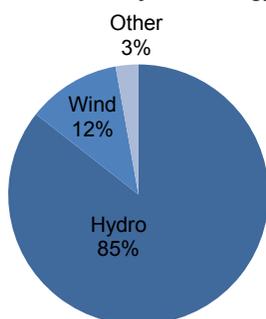
## BUSINESS OVERVIEW

Brookfield Renewable is an owner and operator of a diversified portfolio of high quality assets that produce electricity from renewable resources and has evolved into one of the world's largest listed pure-play renewable power businesses.

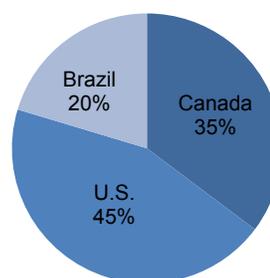
Our assets generate high quality, stable cash flows derived from a virtually fully contracted portfolio. Our business model is simple: utilize our global reach to identify and acquire high quality renewable power assets at favourable valuations, finance them on a long-term, low-risk basis, and enhance the cash flows and values of these assets using our experienced operating teams to earn reliable, attractive, long-term total returns for the benefit of our shareholders.

**One of the largest, listed pure-play renewable platforms.** We own one of the world's largest, publicly-traded, pure-play renewable power portfolios with over \$15 billion in power assets, with approximately 5,000 MW of installed capacity, and long-term average generation of nearly 18,300 GWh annually. Our portfolio includes 170 hydroelectric generating stations on 67 river systems and seven wind facilities, diversified across ten power markets in the United States, Canada and Brazil.

Generation by Technology



Generation by Market



**Focus on attractive hydroelectric asset class.** Our assets are predominantly hydroelectric and represent one of the longest life, lowest cost and most environmentally preferred forms of power generation. Our North American assets have the ability to store water in reservoirs up to approximately 28% of our annual generation. Our assets in Brazil benefit from a framework that exists in the country to levelize generation risk across producers. This ability to store water and have levelized generation in Brazil, provides partial protection against short-term changes in water supply. As a result of our scale and the quality of our assets, we are competitively positioned compared to other listed renewable power platforms, providing significant scarcity value to investors.

**Well positioned for global growth mandate.** Over the last 10 years we have acquired or developed over 20 hydroelectric assets totaling approximately 3,000 MW in more than 25 transactions. We have strong organic growth potential with a 2,000 MW development pipeline spread across each of our operating jurisdictions. Our net asset value in renewable power has grown from approximately \$900 million in 1999 to over \$8.5 billion today, representing a 20% annualized growth rate. We are able to acquire and develop assets due to our established operating and project development teams, strategic relationship with Brookfield Asset Management Inc. (“Brookfield Asset Management”) and our strong liquidity and capitalization profile.

**Attractive distribution profile.** We pursue a strategy which provides for highly stable, predictable cash flows sourced from predominantly long-life hydroelectric assets ensuring an attractive distribution yield. We target a distribution payout ratio in the range of approximately 60% to 70% of funds from operations and pursue a long-term distribution growth rate target in the range of 3% to 5% annually.

**Stable, high quality cash flows with attractive long-term value for limited partnership unitholders.** We intend to maintain a highly stable, predictable cash flow profile sourced from a diversified portfolio of low operating cost, long-life hydroelectric and wind power assets that sell electricity under long-term, fixed price contracts with creditworthy counterparties. Virtually all of our generation output is sold pursuant to power purchase agreements (“PPAs”), to public power authorities, load-serving utilities, industrial users or to affiliates of Brookfield Asset Management. The PPAs for our assets have a weighted-average remaining duration of 23 years, providing long-term cash flow stability.

**Strong financial profile.** With over \$15 billion of power generating assets and a conservative leverage profile, consolidated debt-to-capitalization is approximately 40%. Our liquidity position remains strong with close to \$950 of million cash and available bank lines. Approximately 75% of our obligations are non-recourse and our corporate debt has a weighted-average term of approximately 10 years.

## **SUCCESSFUL COMBINATION OF OUR POWER BUSINESS**

On November 28, 2011, we announced the completion of the strategic combination (the “Combination”) of the renewable power assets of Brookfield Renewable Power Inc. (“BRPI”) and Brookfield Renewable Power Fund (the “Fund”) to launch Brookfield Renewable, a publicly-traded limited partnership. Public unitholders of the Fund received one non-voting limited partnership unit of Brookfield Renewable in exchange for each trust unit of the Fund held, and the Fund was wound up.

The business activities of Brookfield Renewable consist of owning a portfolio of renewable power generating facilities in the United States, Brazil and Canada, which have historically been held as part of the power generating operations of BRPI and the Fund.

As at the date of this Supplemental Information, Brookfield Asset Management had an approximate 68% limited partnership interest, on a fully-exchanged basis, and all general partnership units totaling a 0.01% general partnership interest in Brookfield Renewable while the remaining 32% was held by the public. Since November 30, 2011, Brookfield Renewable’s limited partnership units have traded on the Toronto Stock Exchange (“TSX”) under the symbol “BEP.UN”.

## **BASIS OF PRESENTATION**

This Supplemental Information for the three months ended March 31, 2012 is provided as of May 7, 2012. Unless the context indicates or requires otherwise, the terms “Brookfield Renewable”, “we”, “us”, and “our” mean Brookfield Renewable Energy Partners, L.P.

Brookfield Renewable’s unaudited interim financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board, which require estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the amounts of revenue and expense during the reporting periods.

Certain comparative figures have been reclassified to conform to the current period’s presentation.

Unless otherwise indicated, all dollar amounts are expressed in U.S. dollars.

## **PERFORMANCE MEASUREMENT**

Although we monitor and analyze our financial performance using a number of indicators, our primary business objective of generating reliable and growing cash flow is monitored and analyzed using earnings before interest, taxes, depreciation and amortization (“EBITDA”), funds from operations (“FFO”) and net asset value. As a result of the Combination, we have also presented these same measurements on a *pro forma* basis. While net income is calculated in accordance with IFRS, EBITDA, FFO, and net asset value do not have any standardized meaning prescribed by IFRS and therefore are unlikely to be comparable to similar measures presented by other companies. We provide additional information on how we determine EBITDA, FFO, and net asset value and where applicable, we provide a reconciliation to net income.

### **NET INCOME**

Net income is calculated in accordance with IFRS.

### **EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION, AND AMORTIZATION (EBITDA)**

EBITDA means 100% of revenues less direct costs (including energy marketing costs), plus our share of cash earnings from equity-accounted investments, before interest, current income taxes, depreciation, amortization and management service costs.

### **FUNDS FROM OPERATIONS (FFO)**

FFO is defined as EBITDA less interest, current income taxes and management service costs, which is then adjusted for non-controlling interests.

### **NET ASSET VALUE**

Net asset value represents our capital at carrying value, on a pre-tax basis prepared in accordance with the procedures and assumptions utilized to prepare the Brookfield Renewable’s IFRS financial statements.

## SUMMARY FINANCIAL REVIEW

In order to provide a full financial understanding of the Combination, we have prepared comparative financial results on the following basis:

### **PRO FORMA BASIS**

We are providing comparative financial results on a *pro forma* basis that include the impact of the Combination, new contracts and contract amendments, management and other service agreements along with the tax impacts resulting from the Combination, as if each had occurred as of January 1, 2011. The unaudited comparative *pro forma* financial results have been prepared based upon currently available information and assumptions deemed appropriate by management. The comparative *pro forma* financial results give effect to the following transactions:

Items affecting future cash flows:

- amendment and execution of PPAs; and
- execution of management and other service agreements.

Items not affecting cash flows:

- changes in the fair value of property, plant and equipment due to the change in power purchase agreements and the resulting change in depreciation expense;
- change in the accounting policy for construction work-in-progress to include this asset type in the assets that are revalued when appropriate criterion are satisfied;
- settlement of intercompany balances as at the date of the transaction; and
- elimination of the Fund unit liability and related unrealized gain or loss on remeasurement.

The unaudited comparative *pro forma* financial results are provided for information purposes only and may not be indicative of the results that would have occurred had the above transaction been affected on the date indicated. The accounting for certain of the Combination transactions required the determination of fair value estimates as at the date of the transaction on November 28, 2011 rather than the date assumed in the determination of the *pro forma* results of January 1, 2011.

### **CONSOLIDATED BASIS**

This Combination does not represent a business combination in accordance with IFRS 3 Business Combinations (“IFRS 3R”) as it represents a reorganization of entities under common control of Brookfield Asset Management. Accordingly, the consolidated financial statements of Brookfield Renewable are presented to reflect such continuing control and no adjustments were made to reflect fair values or to recognize any new assets or liabilities, as a result of the Combination. Brookfield Renewable’s consolidated balance sheets, statements of income (loss), and statements of cash flows are presented as if these arrangements had been in place from the time that the operations were originally acquired by Brookfield Asset Management. For periods prior to November 28, 2011, the financial information for Brookfield Renewable represents the combined financial information for the Brookfield Renewable Power Division (the “Division”) a division of Brookfield Asset Management. Transactions entered into as part of the Combination are accounted for effective November 28, 2011.

Effective December 2011, Brookfield Renewable entered into voting arrangements with various affiliates of Brookfield Asset Management, whereby Brookfield Renewable gained control of the entities that own certain United States and Brazil renewable power generating operations (the “Voting Arrangements”). The Voting Arrangements provide Brookfield Renewable with all of the voting rights to elect the Boards of Directors of the

relevant entities and therefore provides Brookfield Renewable with control. Accordingly, Brookfield Renewable consolidates the accounts of these entities.

The Combination and Voting Arrangements do not represent business combinations in accordance with IFRS 3, as all combining businesses are ultimately controlled by Brookfield Asset Management both before and after the transactions were completed. Brookfield Renewable accounts for these reorganizations of entities under common control in a manner similar to a pooling of interest which requires the presentation of pre-Combination and Voting Arrangement financial information as if the transactions had always been in place.

## OVERVIEW OF PERFORMANCE

### GENERATION (GWH)

	Actual Generation		LTA Generation		Variance of Results		
	2012	2011	2012	2011	Actual vs. LTA	Actual vs. Prior year	Actual vs. Prior year
FOR THE THREE MONTHS ENDED MARCH 31	2012	2011	2012	2011	2012	2011	2012
Hydroelectric generation							
United States	1,958	1,698	1,883	1,816	75	(118)	260
Canada	1,308	1,026	1,158	1,162	150	(136)	282
Brazil <sup>(1)</sup>	867	808	875	808	(8)	-	59
	<b>4,133</b>	3,532	<b>3,916</b>	3,786	217	(254)	601
Wind energy							
Canada	368	163	324	175	44	(12)	205
United States	90	-	100	-	(10)	-	90
	<b>458</b>	163	<b>424</b>	175	34	(12)	295
Other	226	229	217	101	9	128	(3)
Total generation <sup>(2)</sup>	<b>4,817</b>	3,924	<b>4,557</b>	4,062	260	(138)	893
% variance					6%	(3)%	23%

<sup>(1)</sup> In Brazil assured generation levels are used as a proxy for LTA.

<sup>(2)</sup> Includes 100% of generation from equity-accounted investments.

We compare actual generation levels against the expected long-term average to highlight the impact of one of the few but important factors that affect the variability of our business results. In the short-term, we recognize that hydrology will vary from one period to the next, over time however, we expect our facilities will continue to produce in line with their long-term averages, which have proven to be reliable indicators of performance. Accordingly, we present our generation and the corresponding EBITDA and FFO results on both an actual generation and a long-term average basis.

Generation levels during the three months ended March 31, 2012 increased 23% as compared to the same period during the prior year reflecting improved hydrological conditions including strong inflows from the early arrival of spring in North America. Seasonally warmer temperatures in Eastern Canada and the U.S. resulted in higher inflows and improved generation. Generation was also positively impacted by the contribution of assets that were acquired and commissioned during the last twelve months. Energy sales from our hydroelectric assets in Brazil were in line with plan and consistent with the framework that exists to levelize generation across power producers in that market.

Generation from our wind portfolio increased by 295 GWh, as a result of the contribution from new assets in Canada and the United States as well as improved wind conditions.

## EBITDA and FFO

	Results under actual generation			Results under LTA generation	
	Consolidated Basis	<i>Pro forma</i> Basis	Consolidated Basis	<i>Pro forma</i> Basis	
FOR THE THREE MONTHS ENDED MARCH 31 (MILLIONS, EXCEPT AS NOTED)	<b>2012</b>	2011 <sup>(1)</sup>	2011	2012	2011 <sup>(1)</sup>
Generation (GWh)	<b>4,817</b>	3,924	3,924	4,557	4,062
Revenues <sup>(2)</sup>	<b>\$ 430</b>	\$ 328	\$ 299	\$ 402	\$ 347
Other income	<b>5</b>	4	4	5	4
Direct operating costs	<b>(117)</b>	(93)	(88)	(114)	(93)
EBITDA	<b>318</b>	239	215	293	258
Interest expense - borrowings	<b>(110)</b>	(97)	(97)	(110)	(97)
Current income taxes	<b>(6)</b>	(4)	(4)	(6)	(4)
Management service costs	<b>(7)</b>	(5)	-	(7)	(5)
Non-controlling interests	<b>(20)</b>	(11)	(11)	(15)	(9)
Funds from operations (FFO)	<b>\$ 175</b>	\$ 122	\$ 103	\$ 155	\$ 143

(1) Pro forma results reflect new contracts and contract amendments, along with the tax implications of the Combination, as if each had occurred as of January 1, 2011.

(2) Includes share of cash earnings from equity-accounted investments.

The discussion below provides a comparison of results on a consolidated basis for the three months ended March 31, 2012 to results on a *pro forma* basis for the three months ended March 31, 2011. Pro forma results reflect new contracts and contract amendments, along with the tax implications of the Combination, as if each had occurred as of January 1, 2011.

Revenues totaled \$430 million or \$89 per MWh for the three months ended March 31, 2012, representing a year-over-year increase of \$102 million. Approximately \$42 million of the increase is due to improved generation levels at existing facilities. Approximately \$37 million of the increase is attributable to increased generation from new hydroelectric generation facilities in Brazil and Northeast United States and from an Ontario wind facility integrated in Q4 2011 as well as the acquisition and commissioning of nearly 375 MW in four wind facilities in California and the Northeast United States.

EBITDA for the three months ended March 31, 2012 increased by \$79 million year-over-year. Both revenues and direct operating costs were in line with expectations ensuring stable operating margins.

Interest expense on borrowings reflects the cost related to approximately \$4.5 billion of non-recourse asset-specific debt and \$1.5 billion of corporate debt. Our borrowings are predominantly fixed-rate and issued in local currencies providing protection to our equity capital against changes in foreign exchange and interest rates movements. Higher interest expense in the current year reflects the increased capitalization associated with our portfolio growth during the last twelve months.

Management service costs reflect a base fee of \$20 million annually plus 1.25% on growth in our total capitalization.

FFO increased \$53 million year-over-year to \$175 million reflecting the contribution of higher generation due to greater hydrology and through the growth in our portfolio.

## NET ASSET VALUE

The following table presents our net asset value on a consolidated basis:

(MILLIONS, EXCEPT AS NOTED)	Total		Per Share	
	March 31, 2012	December 31, 2011	March 31, 2012	December 31, 2011
Property, plant and equipment, at fair value				
Hydroelectric <sup>(1)</sup>	\$ 12,615	\$ 12,463	\$ 48.06	\$ 47.47
Wind	2,487	1,480	9.47	5.64
Other	86	86	0.33	0.33
	<b>15,188</b>	14,029	<b>57.86</b>	53.44
Development assets	209	378	0.80	1.44
Working capital and other, net	221	380	0.84	1.45
Long-term debt and credit facilities	(5,984)	(5,519)	(22.80)	(21.02)
Participating non-controlling interests	(760)	(629)	(2.90)	(2.40)
Preferred equity	(247)	(241)	(0.94)	(0.92)
Net asset value	<b>\$ 8,627</b>	\$ 8,398	<b>\$ 32.86</b>	\$ 31.99

<sup>(1)</sup> Includes \$329 million from equity-accounted investments (2011: \$405 million) and \$57 million of intangible assets (2011: \$57 million).

The net asset value of Brookfield Renewable totaled \$8.6 billion as at March 31, 2012 which was slightly higher than the value as at December 31, 2011. Values increased during the quarter primarily as a result of the appreciation of the Canadian dollar and Brazilian real relative to the U.S. dollar.

The assets deployed in our renewable power operations are revalued on an annual basis, with the exception of foreign exchange impacts which are calculated quarterly.

We value our assets based on discounted cash flows over a 20-year period and key assumptions utilized in 2011 and 2010 were as follows:

	United States		Canada		Brazil	
	2011	2010	2011	2010	2011	2010
Discount rate	5.6%	7.4%	5.4%	6.4%	9.9%	10.8%
Terminal capitalization rate	7.2%	7.9%	6.8%	7.1%	N/A	N/A
Exit date	2031	2030	2031	2030	2029	2029

A 50 bps change in discount rates would have approximately \$1 billion impact on our net asset value.

## LIQUIDITY AND CAPITALIZATION

We operate with sufficient liquidity, which along with ongoing cash flow from operations enable us to fund growth initiatives, capital expenditures, distributions and to finance the business on an investment grade basis. As part of our financing strategy, we raise the majority of our debt capital in the form of asset-specific, non-recourse borrowings at our subsidiaries. As at March 31, 2012 subsidiary and corporate borrowings increased due to additional borrowings related to the assets acquired and commissioned in our United States wind portfolio, additional corporate borrowings which were used to repay higher yielding debt, as well as the appreciation of the Canadian dollar and Brazilian real during the quarter. Following the acquisition, with certain institutional partners, of the remaining 50% stake in a 102 MW wind facility previously held by our partner, this asset was consolidated whereas it was previously equity accounted for as at December 31, 2011. Our debt to capitalization ratio was 38% as at March 31, 2012, which was substantially unchanged from December 31, 2011.

### Capitalization

The following table summarizes our capitalization using book values:

(MILLIONS)	March 31, 2012	December 31, 2011
Credit facilities	\$ 28	\$ 251
Corporate borrowings	1,497	1,071
Subsidiary borrowings	4,459	4,197
Long-term indebtedness	5,984	5,519
Participating non-controlling interests	760	629
Preferred equity	247	241
Net asset value	8,627	8,398
Total capitalization	\$ 15,618	\$ 14,787
Debt to total capitalization	38%	37%

During the quarter, we issued C\$400 million of 10-year corporate notes, bearing interest at 4.79% per annum. The proceeds were used to reduce borrowings, extend the term on our overall maturity profile and reduce cost of capital.

### Available liquidity

Total liquidity is comprised of cash and cash equivalents and the unutilized portion of credit facilities. We currently have \$945 million of available liquidity (December 31, 2011: \$457 million) which provides us with significant flexibility to fund ongoing growth and capital requirements and to protect against short term fluctuations in generation. During the quarter, we expanded our revolving credit facilities from \$600 million to \$900 million and extended the maturity for our new facilities to October 2016.

(MILLIONS)	March 31, 2012	December 31, 2011
Cash and cash equivalents	\$ 249	\$ 267
Unutilized portion of credit facilities	696	190
	\$ 945	\$ 457

## Corporate and subsidiary borrowings

The following table summarizes our debt maturities over the next three years:

AS AT MARCH 31, 2012 (MILLIONS)	2012 <sup>(1)</sup>	2013	2014
Corporate borrowings	\$ -	\$ -	\$ -
Subsidiary borrowings - consolidated	745	516	331
Subsidiary borrowings – total <sup>(2)</sup>	863	517	332

<sup>(1)</sup> Represents the period from April 1, 2012 to December 31, 2012.

<sup>(2)</sup> Includes borrowings from equity-accounted investments.

We have no corporate borrowings maturing before 2016.

Subsidiary borrowings maturing in the next twelve months include \$253 million on our Eastern Canadian wind assets and \$200 million attributed to our hydroelectric facilities in New York. We expect to refinance all of the upcoming maturities in the normal course. In May 2012, we refinanced \$115 million of indebtedness associated with our hydroelectric pumped storage facility in New England, which we own 50% with a partner, for five years at a rate of LIBOR + 2.25%.

The overall maturity profile and average interest rates associated with corporate and subsidiary borrowings are as follows:

	Average term(years)		Average interest rate (%)	
	March 31, 2012	December 31, 2011	March 31, 2012	December 31, 2011
Corporate borrowings	9.5	9.6	5.3	5.5
Subsidiary borrowings	10.3	10.0	6.7	7.5

## Contract Profile

Our portfolio is virtually fully contracted with minimal expiries over the next two years. We operate the business on a largely contracted basis to ensure a high degree of predictability in funds from operations. We do however maintain a long-term view that electricity prices and the demand for electricity from renewable sources will rise due to a growing level of acceptance around climate change and the legislated requirements in some areas to diversify away from fossil fuel based generation.

As at March 31, 2012, we had contracted virtually all of our 2012 generation at an average price of \$87 per MWh. The following table sets out our contracts over the next five years for generation from our existing facilities assuming long-term average hydrology:

FOR THE YEARS ENDED DECEMBER 31 (MILLIONS, EXCEPT AS NOTED)	2012 <sup>(1)</sup>	2013	2014	2015	2016
<b>Generation (GWh)</b>					
<b>Contracted<sup>(2)</sup>:</b>					
Hydroelectric	11,372	15,263	14,589	13,954	13,836
Wind	1,578	2,104	2,104	2,104	2,104
Other	299	398	134	-	-
	13,249	17,765	16,827	16,058	15,940
<b>Uncontracted</b>	140	424	1,098	1,733	1,851
<b>LTA</b>	13,389	18,189	17,925	17,791	17,791
<b>Contracted generation – as at March 31, 2012</b>					
% of total generation	99%	98%	93%	91%	90%
Contracted revenue	\$ 1,148	\$ 1,556	\$ 1,462	\$ 1,399	\$ 1,397
Price per MWh	\$ 87	\$ 87	\$ 86	\$ 87	\$ 87

<sup>(1)</sup> For the period from April 1, 2012 to December 31, 2012.

<sup>(2)</sup> Assets under construction are included in the contract profile only if LTA and pricing details are available and the commercial operation date is imminent.

We have a predictable revenue profile driven by both long-term PPAs with a weighted average remaining duration of 23 years, combined with a well-diversified generation portfolio that reduces variability in our generation volumes. The majority of our long-term PPAs are with investment-grade rated or creditworthy counterparties such as Brookfield Asset Management and its subsidiaries (48%), government-owned utilities or power authorities (18%), industrial power users (25%) and distribution companies (9%).

Over the next three years we have on average approximately 700 GWh of energy annually which is not contracted. All of this power can be sold into the current wholesale or bilateral market, however we intend to maintain flexibility in re-contracting to position ourselves to achieve the most optimal pricing.

## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENT

*This Supplemental Information contains forward-looking statements and information, within the meaning of Canadian securities laws, concerning the business and operations of Brookfield Renewable. Forward-looking statements may include estimates, plans, expectations, opinions, forecasts, projections, guidance or other statements that are not statements of fact. Forward-looking statements in this Supplemental Information include statements regarding the quality of Brookfield Renewable's assets and the resiliency of the cash flow they will generate, Brookfield Renewable anticipated financial performance, future commissioning of assets, listing on the NYSE, future energy prices and demand for electricity, the future growth prospects and distribution profile of Brookfield Renewable and Brookfield Renewable's access to capital. Forward-looking statements can be identified by the use of words such as "plans", "expects", "scheduled", "estimates", "intends", "anticipates", "believes", "potentially", "tends", "continue", "attempts", "likely", "primarily", "approximately", "endeavours", "pursues", "strives", "seeks" or variations of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Although we believe that our anticipated future results, performance or achievements expressed or implied by the forward-looking statements and information in this Supplemental Information are based upon reasonable assumptions and expectations, we cannot assure you that such expectations will prove to have been correct. You should not place undue reliance on forward-looking statements and information as such statements and information involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking statements and information.*

*Factors that could cause actual results to differ materially from those contemplated or implied by forward-looking statements include, but are not limited to: changes to hydrology at our hydroelectric stations or in wind conditions at our wind energy facilities; the risk that counterparties to our contracts do not fulfill their obligations, and as our contracts expire, we may not be able to replace them with agreements on similar terms; increases in water rental costs (or similar fees) or changes to the regulation of water supply; our operations being highly regulated and exposed to increased regulation which could result in additional costs; the risk that our concessions and licenses will not be renewed; increases in the cost of operating our plants; our failure to comply with conditions in, or our inability to maintain, governmental permits; equipment failure; dam failures and the costs of repairing such failures; force majeure events; exposure to uninsurable losses; adverse changes in currency exchange rates; our inability to access interconnection facilities and transmission systems; occupational, health, safety and environmental risks; disputes and litigation; losses resulting from fraud, other illegal acts, inadequate or failed internal processes or systems, or from external events; general industry risks relating to the North American and Brazilian power market sectors; advances in technology that impair or eliminate the competitive advantage of our projects; newly developed technologies in which we invest not performing as anticipated; labour disruptions and economically unfavourable collective bargaining agreements; risks related to operating in Brazil; our inability to finance our operations; the operating and financial restrictions imposed on us by our loan, debt and security agreements; changes in our credit ratings; changes to government regulations that provide incentives for renewable energy; our inability to identify and complete sufficient investment opportunities; the growth of our portfolio; our inability to develop existing sites or find new sites suitable for the development of greenfield projects; risks associated with the development of our generating facilities and the various types of arrangements we enter into with communities and joint venture partners; Brookfield Asset Management's inability to source acquisition opportunities for us and our lack of access to all renewable power acquisitions that Brookfield Asset Management identifies; our lack of control over all our operations; our obligations to issue equity or debt for future acquisitions and developments; and foreign laws or regulation to which we become subject as a result of future acquisitions in new markets.*

*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 Supplemental Information and should not*

*be relied upon as representing our views as of any date subsequent to May 7, 2012, the date of this Supplemental Information. 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".*

## **CAUTIONARY STATEMENT REGARDING USE OF NON-IFRS ACCOUNTING MEASURES**

*This Supplemental Information contains references to EBITDA and FFO which are not generally accepted accounting measure in accordance with IFRS and therefore may differ from definitions of EBITDA and FFO, used by other entities. We believe that operating EBITDA and FFO are useful supplemental measures that may assist investors in assessing the financial performance and the cash anticipated to be generated by our operating portfolio. None of EBITDA and FFO 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. As a result of the Combination, we have presented these measurements on a consolidated basis and on a pro forma basis.*

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