

Brookfield Renewable Energy Partners L.P.
SUPPLEMENTAL INFORMATION
FOR THE THREE MONTHS ENDED JUNE 30, 2012

OUR OPERATIONS

We operate our facilities through three regional operating centers in the United States, Canada and Brazil 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 18,115 GWh based on long-term averages. We also have three hydroelectric facilities under construction that are scheduled to be commissioned within the next 24 months, thereby increasing the total capacity of our portfolio by 93 MW to 5,002 MW. The table below outlines our portfolio as at June 30, 2012:

Markets	Rivers	Generating Stations	Generating Units	Capacity ⁽¹⁾ (MW)	LTA ⁽²⁾ (GWh)	Storage (GWh)
Operating Assets						
Hydroelectric generation ⁽³⁾						
United States	26	103	292	1,966	7,020	2,146
Canada	18	32	72	1,323	4,972	1,261
Brazil	23	35	79	626	3,453	N/A ⁽⁴⁾
	67	170	443	3,915	15,445	3,407
Wind energy						
Canada	—	3	220	406	1,197	—
United States	—	4	156	373	952	—
	—	7	376	779	2,149	—
Other	—	2	6	215	521	—
Total from operating assets	67	179	825	4,909	18,115	3,407
Assets under construction						
Hydroelectric generation						
Brazil ⁽⁵⁾	—	2	4	48	242	N/A ⁽⁴⁾
Canada	1	1	4	45	138	—
Total	68	182	833	5,002	18,495	3,407

⁽¹⁾ Total capacity including our share of equity-accounted investments is 4,498 MW.

⁽²⁾ Long-term average (“LTA”) was calculated on an annualized basis to the beginning of the year, regardless of the acquisition or commercial operation date.

⁽³⁾ Long-term average 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. In Brazil, assured generation levels are used as a proxy for long-term average.

⁽⁴⁾ Brazilian hydroelectric assets benefit from a market framework which levelizes generation risk across producers.

⁽⁵⁾ All assets under construction are on the same river systems as existing hydroelectric assets.

The following table presents the annualized long-term average generation of our operating portfolio on a quarterly basis:

LTA generation (GWh) ⁽¹⁾	Q1	Q2	Q3	Q4	Total
Operating Assets					
Hydroelectric generation ⁽²⁾					
United States	1,883	2,075	1,378	1,684	7,020
Canada	1,158	1,407	1,232	1,175	4,972
Brazil ⁽³⁾	875	811	862	905	3,453
	3,916	4,293	3,472	3,764	15,445
Wind energy					
Canada	324	292	238	343	1,197
United States	215	310	236	191	952
	539	602	474	534	2,149
Other	217	103	97	104	521
Total LTA generation	4,672	4,998	4,043	4,402	18,115

⁽¹⁾ Long-term average was calculated on an annualized basis to the beginning of the year, regardless of the acquisition or commercial operation date.

⁽²⁾ Long-term average 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. In Brazil, assured generation levels are used as a proxy for long-term average.

⁽³⁾ Brazilian hydroelectric assets benefit from a market framework which levelizes generation risk across producers.

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

This interim report to unitholders contains forward-looking information within the meaning of Canadian securities laws. We may make such statements in this interim report, 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 20. We make use of non-IFRS measures in this interim report as disclosed further on page 21. This interim report and additional information, including our Annual Information Form, are available on our website at www.brookfieldrenewable.com and on SEDAR's website at www.sedar.com.

LETTER TO UNITHOLDERS

Our results for the second quarter of 2012 were impacted by very low precipitation levels across some of our North American markets. However, we continued to make significant progress on our growth initiatives and our capital markets and funding strategy.

One of the key features of our business which differentiates it from other independent renewable power producers is the scale of our hydroelectric platform, both in absolute terms and as a proportion of our overall portfolio. Our portfolio is centered on this core technology and is truly unique in the world. During the quarter, we built upon this leadership position in a meaningful way, through the continued advancement of our existing construction projects in Canada and Brazil, and importantly, the announcement of a large-scale acquisition of hydro assets in the southeastern United States.

U.S. Hydro Acquisition

As we announced just prior to quarter-end, we will acquire with our institutional partners, a portfolio of four hydroelectric generating stations in Tennessee and North Carolina for a total investment of approximately \$600 million. Located on two river systems in eastern Tennessee and western North Carolina, the portfolio is in the latter stages of an extensive asset modernization program which is expected to result in an installed capacity of 378 MW and average annual generation of approximately 1.4 million MWh.

All output from the facilities is currently contracted at a fixed price through June 2014 to the Tennessee Valley Authority (“TVA”), a U.S. government-owned entity providing electricity to nine million people. These facilities are proven generation assets in a market with favourable supply-demand dynamics including a growing population with increasing electricity usage, and significant planned coal retirements. The portfolio also benefits from direct and indirect access to multiple adjacent markets and industrial users, providing a number of additional potential customers.

These assets are an excellent fit with our long-term strategy and our existing platform. We see the current period as an exceptional time to be acquiring renewable power assets, particularly of the hydroelectric variety. Given current market conditions, with natural gas and electricity prices at temporarily depressed levels, we believe that there are significant opportunities to acquire high quality assets at very attractive valuations, particularly for those investors like us, who have the capital, requisite operating expertise and ability to engage in long-term value creation strategies

Progress on Construction Activities

We continue to make excellent progress on our existing construction projects. In Canada, we have begun construction of the 45 MW hydroelectric project on the Kokish River in British Columbia, in conjunction with our partner, the ‘Namgis First Nation. Site preparation work is underway, with construction activity at the proposed powerhouse and intake sites, and along the penstock route. Construction of a key access bridge and other roads has been completed.

Our two hydroelectric construction projects in Brazil, Pezzi and Serra dos Cavalinhos, are proceeding on scope, schedule and budget and are expected to enter commercial operations by the first quarter of 2013.

Second Quarter Results

After strong generation in the first three months of the year, the second quarter saw lower levels of precipitation and therefore lower inflows in a number of our watersheds. While new assets helped to offset some of the impact, results were well below the quarterly average. Despite the shortfall, our reservoir levels across the portfolio are in line with their long-term average levels for this time of year. Factoring in the results from the first quarter, our Adjusted EBITDA and funds from operations were \$539 million and \$262 million, respectively, for the first six months of 2012.

Our long-term unitholders are well aware that variations from the long-term average are a very normal part of the hydrology cycle where periods with more favourable conditions are offset by those below the average. For this reason, we have always managed our operations based on long-term average generation. Combined with our financial strength and prudent payout ratio, this approach has allowed us to achieve our near and long-term growth and financial objectives, and to maintain stable and growing cash distributions to unitholders despite these variations.

Looking Ahead

We remain very well-positioned to achieve our objectives for the year. Our liquidity position is strong, and with a \$1 billion credit facility, in addition to our cash balances, we have ready access to funds to pursue our business objectives. Over the last several quarters, we have also strengthened our financial position by strategically reducing our borrowing costs.

From a capital markets perspective, we continue to enjoy the strong support of investors, which we would expect to be enhanced as we achieve a listing on the New York Stock Exchange, anticipated this fall. We expect that the listing will make our securities available to a much broader set of global investors which should enhance our liquidity and access to capital.

As we look ahead to the rest of the year, our priorities include the closing and integration of the U.S. hydro acquisition and the successful completion of our construction projects.

As always, we appreciate your continued support and look forward to reporting on our progress at the next opportunity.

Sincerely,



Richard Legault
President and Chief Executive Officer

Supplemental Information

For the three months ended June 30, 2012

QUARTERLY HIGHLIGHTS

Portfolio growth

We announced an agreement to acquire, with our institutional partners, a portfolio of four hydroelectric generating stations located in Tennessee and North Carolina for a total enterprise value of \$600 million. We will own an approximate 25% interest, and will manage and integrate these assets into our North American operating platform. These assets will have an installed capacity of 378 MW and annual generation of 1.4 million MWh. The transaction is expected to close in the fourth quarter of 2012.

Following the receipt of provincial and federal permits, construction has commenced on a 45 MW hydroelectric project in British Columbia. This facility is expected to enter commercial operation in 2014, and will benefit from a 40-year power purchase agreement.

Construction on our two hydroelectric projects in Brazil, totalling 48 MW of installed capacity, is progressing on scope, schedule and budget and are expected to enter commercial operations in the first quarter of 2013.

Subsequent to quarter-end, we also completed the acquisition of a 6 MW hydroelectric facility in Brazil, with our institutional partners. The facility benefits from a power purchase agreement expiring in 2019.

Corporate and subsidiary borrowings

Since the beginning of the year, we have enhanced our financial position and our ability to fund growth by increasing liquidity and capital resources. We have increased our available liquidity to \$1 billion and reduced our borrowings costs, in an environment where interest rates are already at or near historical lows.

During the quarter, we refinanced indebtedness associated with our hydroelectric pumped storage facility in New England (in which we own a 50% interest), through a \$125 million loan for a term of five years at a rate of LIBOR plus 2.25%.

In May 2012, we increased our credit facilities by an additional \$90 million to \$990 million. The new credit facility has similar terms and conditions as the existing credit agreements and expires on October 31, 2016, subject to additional one-year extensions.

Capital markets initiatives

We are progressing with a registration statement filed with the Securities and Exchange Commission ("SEC") in connection with an anticipated listing on the New York Stock Exchange ("NYSE") in the fall of 2012.

Financial and operating results

Total generation for the three months ended June 30, 2012 was 4,101 GWh which was lower than the 4,491 GWh generated in the same quarter of the prior year and below long-term average of 4,998 GWh. The decrease in generation was primarily attributable to our hydroelectric portfolio. Lower levels of precipitation and therefore lower inflows experienced in eastern Canada and the United States resulted in lower generation that led to a decrease in revenues and funds from operations. Reservoir levels in all geographic regions were in line with the expected levels as at June 30, 2012.

Generation from our wind facilities was considerably higher than the prior year primarily due to the contributions from our recently acquired and commissioned facilities in California and northeastern United States and the addition of a facility in Ontario which was commissioned in the fourth quarter of 2011.

Revenues totalled \$337 million or \$82 per MWh for the three months ended June 30, 2012, representing a year-over-year decrease of \$44 million from \$381 million on a *pro forma* basis. Funds from operations for the three months ended June 30, 2012 were \$87 million.

On a year-to-date basis, the second quarter's generation and financial results were mitigated by stronger first quarter results.

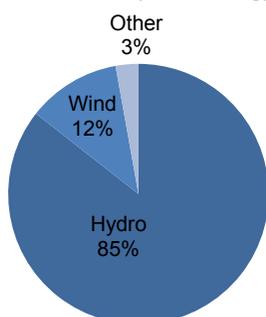
BUSINESS OVERVIEW

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

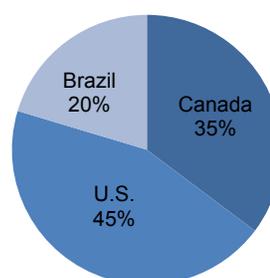
Our assets generate high quality, stable cash flows derived from a virtually fully contracted portfolio. Our business model is simple: utilize our global reach to identify and acquire high quality renewable power assets at favourable valuations, finance them on a long-term, low-risk basis, and enhance 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 \$15 billion in power assets, with approximately 5,000 MW of installed capacity, and long-term average generation of approximately 18,100 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 ten years we have acquired or developed over 130 hydroelectric assets totalling approximately 3,000 MW and 7 wind generating assets totalling approximately 800 MW. 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 \$8.4 billion today, representing a 19% compounded 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, 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, to public power authorities, load-serving utilities, industrial users or to affiliates of Brookfield Asset Management. The power purchase agreements for our assets have a weighted-average remaining duration of 23 years, providing long-term cash flow stability.

Strong financial profile. With \$15 billion of power generating assets and a conservative leverage profile, consolidated debt-to-capitalization is approximately 39%. Our liquidity position remains strong with \$1 billion of cash and unutilized portion of committed bank lines. Approximately 75% of our obligations are non-recourse to Brookfield Renewable and our corporate debt has a weighted-average term of approximately nine years.

SUCCESSFUL COMBINATION OF OUR POWER BUSINESS

On November 28, 2011, we completed 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 Energy Partners, L.P. (“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 report, Brookfield Asset Management owned an approximate 68% limited partnership interest, on a fully-exchanged basis, and all general partnership units totalling 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 trade on the Toronto Stock Exchange (“TSX”) under the symbol “BEP.UN”.

BASIS OF PRESENTATION

This Supplemental Information for the three and six months ended June 30, 2012 is provided as of August 7, 2012. Unless the context indicates or requires otherwise, the terms “Brookfield Renewable”, “we”, “us”, and “our” mean Brookfield Renewable Energy Partners, L.P. and controlled entities.

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 (“IASB”), 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 United States (“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 adjusted earnings before interest, taxes, depreciation and amortization (“Adjusted EBITDA”), funds from operations 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, Adjusted EBITDA, funds from operations, 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. See “Reconciliation of Funds From Operations to Net Income (Loss)” and “Reconciliation of *Pro forma* Results”.

Net Income

Net income is calculated in accordance with IFRS.

Adjusted Earnings Before Interest, Taxes, Depreciation, and Amortization (Adjusted EBITDA)

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

Funds From Operations

Funds from operations is defined as Adjusted EBITDA less interest, current income taxes and management service costs, which is then adjusted for the cash portion of 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 Brookfield Renewable’s IFRS financial statements.

SUMMARY FINANCIAL REVIEW

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

***Pro forma* Basis**

We are providing *pro forma* financial results 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 *pro forma* financial results have been prepared based upon currently available information and assumptions deemed appropriate by management. The *pro forma* financial results give effect to the following transactions:

Items affecting future cash flows:

- amendment and execution of power purchase agreements; 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 criteria 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.

For additional information on the *pro forma* adjustments see “Summary of *Pro Forma* Adjustments as They Relate to the Comparative Financial Results”.

The unaudited *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 effected 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 3R, 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. Refer to Note 2(o)(ii) in our audited consolidated financial statements for the year ended December 31, 2011 for our policy on accounting for transactions under common control.

OVERVIEW OF PERFORMANCE

The following table reflects the actual and long-term average generation for the three months ended June 30:

GENERATION (GWH) THREE MONTHS ENDED JUNE 30	Actual Generation		LTA Generation		Variance of Results		
					Actual vs. LTA		Actual vs. Prior year
	2012	2011	2012	2011	2012	2011	2012
Hydroelectric generation							
United States	1,619	2,193	2,075	2,004	(456)	189	(574)
Canada	986	1,244	1,407	1,443	(421)	(199)	(258)
Brazil ⁽¹⁾	811	778	811	778	—	—	33
	3,416	4,215	4,293	4,225	(877)	(10)	(799)
Wind energy							
Canada	246	151	292	160	(46)	(9)	95
United States	221	—	310	—	(89)	—	221
	467	151	602	160	(135)	(9)	316
Other	218	125	103	103	115	22	93
Total generation⁽²⁾	4,101	4,491	4,998	4,488	(897)	3	(390)

⁽¹⁾ In Brazil, assured generation levels are used as a proxy for long-term average.

⁽²⁾ 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 Adjusted EBITDA and funds from operations results on both an actual generation and a long-term average basis.

Generation levels during the three months ended June 30, 2012 decreased by 390 GWh or 9% as compared to the same quarter of the prior year primarily due to lower inflows for our hydroelectric facilities. Generation from our hydroelectric portfolio decreased by 799 GWh as a result of the lower levels of precipitation, warmer than average temperatures and dry conditions across eastern Canada and the northeastern United States. The variance in our year-over-year results for the three months ended June 30, 2012 also reflect the above average precipitation and record rainfall levels that occurred in 2011 across the northeastern United States. Generation from our hydroelectric portfolio in Brazil was in line with plan and consistent with the framework that exists to levelize generation across power producers in that market. Generation in Brazil was also positively impacted by the contribution of a new hydroelectric asset which was acquired in the third quarter of 2011.

Generation from our wind portfolio increased by 316 GWh, as a result of the contributions from recently acquired facilities in California and New England, and from an Ontario facility commissioned in the fourth quarter of 2011. Results were below long-term average as a result of timing differences between commercial operation dates and full commissioning.

**ADJUSTED EBITDA AND FUNDS FROM OPERATIONS ON A PRO FORMA BASIS
(UNLESS OTHERWISE MENTIONED)**

The following table reflects the Adjusted EBITDA and funds from operations for the three months ended June 30:

	Results under actual generation			Results under LTA	
		<i>Pro forma</i> Basis	Consolidated Basis	<i>Pro forma</i> Basis	
THREE MONTHS ENDED JUNE 30 (MILLIONS, EXCEPT AS NOTED)	2012	2011 ⁽¹⁾	2011	2012	2011 ⁽¹⁾
Generation (GWh)	4,101	4,491	4,491	4,998	4,488
Revenues	\$ 337	\$ 381	\$ 329	\$ 431	\$ 382
Other income	5	6	6	5	6
Share of cash earnings from equity-accounted investments	4	6	6	4	6
Direct operating costs	(125)	(107)	(103)	(131)	(106)
Adjusted EBITDA ⁽²⁾	221	286	238	309	288
Interest expense - borrowings	(104)	(103)	(103)	(104)	(103)
Management service costs	(8)	(6)	—	(8)	(6)
Current income taxes	(7)	(2)	(2)	(7)	(2)
Cash portion of non-controlling interests	(15)	(17)	(17)	(19)	(16)
Funds from operations ⁽²⁾	\$ 87	\$ 158	\$ 116	\$ 171	\$ 161

⁽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⁾ Non-IFRS measure. See “Reconciliation of Funds From Operations to Net Income (Loss)” and “Reconciliation of *Pro forma* Results”.

The discussion below provides a comparison of results on a consolidated basis for the three months ended June 30, 2012 to results on a *pro forma* basis for the three months ended June 30, 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. A discussion of our results on a consolidated basis is provided in the following section “Review of Operations”.

Revenues totalled \$337 million or \$82 per MWh for the three months ended June 30, 2012, representing a year-over-year decrease of \$44 million. Of this amount, \$65 million was attributed to below average generation from our hydroelectric facilities given the scarcity of rainfall and dry conditions as well as above average precipitation in the prior year. Lower generation affected assets within markets where power purchase agreement prices are higher than our average price. The decrease in revenue was partially offset by wind facilities recently acquired and commissioned in California and New England, as well as an Ontario facility commissioned in the fourth quarter of 2011.

Adjusted EBITDA totalled \$221 million for the three months ended June 30, 2012, representing a year-over-year decrease of \$65 million. Adjusted EBITDA was impacted by lower revenues as well as an increase in direct operating costs associated with new facilities acquired and commissioned. In addition, the 2011 direct operating costs reflect the temporary deferral of major maintenance expenditures to the third quarter of last year given the flood conditions experienced in the northeastern United States.

Interest expense on borrowings reflects the cost related to approximately \$4.4 billion of non-recourse asset-specific borrowings and \$1.5 billion of corporate borrowings. We have been proactively taking advantage of the current low interest-rate environment to lower our cost of capital and increase the duration of our borrowings. Accordingly, long-term borrowings increased by \$354 million on a year-to-date basis as a result of assets acquired or commissioned during the six months ended June 30, 2012. While interest expense in the quarter remained consistent with the same period of the prior year reflecting interest savings associated with the refinancing activity during the year.

Management service costs reflect a base fee of \$20 million annually plus 1.25% of the growth in our total capitalization. The \$2 million year-over-year change was due to higher capitalization resulting from an increase in the fair market value of our outstanding limited partnership units and the nominal value of our corporate borrowings and credit facilities.

Funds from operations totalled \$87 million for the three months ended June 30, 2012, representing a year-over-year decrease of \$71 million.

NET ASSET VALUE

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

	Total		Per Share	
	Jun 30 2012	Dec 31 2011	Jun 30 2012	Dec 31 2011
<small>(MILLIONS, EXCEPT AS NOTED)</small>				
Property, plant and equipment, at fair value				
Hydroelectric ⁽¹⁾	\$ 12,211	\$ 12,463	\$ 46.51	\$ 47.47
Wind energy	2,337	1,480	8.90	5.64
Other	87	86	0.33	0.33
	14,635	14,029	55.74	53.44
Development assets	367	378	1.40	1.44
Working capital and other, net	202	380	0.77	1.45
Long-term debt and credit facilities	(5,873)	(5,519)	(22.37)	(21.02)
Participating non-controlling interests	(724)	(629)	(2.76)	(2.40)
Preferred equity	(242)	(241)	(0.92)	(0.92)
Net asset value⁽²⁾	\$ 8,365	\$ 8,398	\$ 31.86	\$ 31.99

⁽¹⁾ Includes \$311 million of equity-accounted investments (2011: \$405 million) and \$52 million of intangible assets (2011: \$57 million).

⁽²⁾ Non-IFRS measure. Refer to "Cautionary Statement regarding use of non-IFRS measures".

The net asset value of Brookfield Renewable totalled approximately \$8.4 billion as at June 30, 2012, which is virtually unchanged from December 31, 2011. An increase in net asset value resulting from the growth of our portfolio and capitalization was offset by a decrease in working capital.

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 were as follows:

	United States	Canada	Brazil
	2011	2011	2011
Discount rate	5.6%	5.4%	9.9%
Terminal capitalization rate	7.2%	6.8%	N/A
Exit date	2031	2031	2029

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

LIQUIDITY AND CAPITAL RESOURCES

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 June 30, 2012 subsidiary and corporate borrowings increased as a result of the acquisition and commissioning of assets in our United States wind portfolio and the consolidation of a subsidiary which was previously equity-accounted. Our debt to capitalization ratio was 39% as at June 30, 2012, which is consistent with December 31, 2011.

Capitalization

The following table summarizes our capitalization using book values:

(MILLIONS)	Jun 30 2012	Dec 31 2011
Credit facilities ⁽¹⁾	\$ 58	\$ 251
Corporate borrowings ⁽¹⁾	1,468	1,071
Subsidiary borrowings ⁽²⁾	4,347	4,197
Long-term indebtedness	5,873	5,519
Participating non-controlling interests	724	629
Preferred equity	242	241
Net asset value	8,365	8,398
Total capitalization	\$ 15,204	\$ 14,787
Debt to total capitalization	39%	37%

⁽¹⁾ Issued by a subsidiary of Brookfield Renewable and guaranteed by Brookfield Renewable. The amounts are unsecured.

⁽²⁾ Issued by a subsidiary of Brookfield Renewable and secured against its assets. The amounts are not guaranteed.

Available liquidity

Total liquidity is comprised of cash and the unutilized portion of committed bank lines. At June 30, 2012, we had \$1 billion of available liquidity (December 31, 2011: \$457 million) which provides us with a significant cushion to fund ongoing growth, capital requirements and to protect against short term fluctuations in generation. There has been no substantial change in our liquidity as of the date of this report.

In March 2012, we entered into credit agreements increasing our committed unsecured facilities from an aggregate of \$600 million to \$900 million. Each of the credit facilities contain similar terms and conditions and expire on October 31, 2016, subject to additional one-year extensions. In May 2012, we expanded our facilities by an additional \$90 million.

(MILLIONS)	Jun 30 2012	Dec 31 2011
Cash and cash equivalents	\$ 235	\$ 267
Credit facilities		
Authorized credit facilities	990	601
Issued letters of credit	(162)	(160)
Draws on credit facilities	(58)	(251)
Available portion of credit facilities	770	190
	\$ 1,005	\$ 457

Corporate and subsidiary borrowings

The following table summarizes our principal repayments and maturities over the next three years:

FOR THE YEARS ENDED DECEMBER 31 (MILLIONS)	Balance of 2012	2013	2014
Corporate borrowings	\$ —	\$ —	\$ —
Subsidiary borrowings - consolidated	651	508	328
Subsidiary borrowings – total ⁽¹⁾	652	509	329

⁽¹⁾ Includes borrowings from equity-accounted investments.

We have no corporate borrowings maturing before 2016.

Subsidiary borrowings maturing in the next twelve months include \$247 million related our Ontario 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 indebtedness associated with our hydroelectric pumped storage facility in New England (in which we own 50%), through a \$125 million loan for a term of five years at a rate of LIBOR plus 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 (%)	
	Jun 30 2012	Dec 31 2011	Jun 30 2012	Dec 31 2011
Corporate borrowings	9.2	9.6	5.3	5.5
Subsidiary borrowings	10.1	10.0	6.7	7.5

During the first six months of the year we issued C\$400 million of corporate notes which were used to repay higher yielding subsidiary borrowings. As a result, we have reduced the average interest rate of our consolidated debt and slightly extended the term of our subsidiary borrowings.

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 June 30, 2012, we had contracted virtually all of our 2012 generation at an average price of \$83 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 and wind conditions:

FOR THE YEARS ENDED DECEMBER 31 (MILLIONS, EXCEPT AS NOTED)	Balance of 2012	2013	2014	2015	2016
Generation (GWh)					
Contracted⁽¹⁾:					
Hydroelectric ⁽²⁾	7,178	15,330	14,822	14,165	14,047
Wind energy	988	2,104	2,104	2,104	2,104
Other	201	398	134	—	—
	8,367	17,832	17,060	16,269	16,151
Uncontracted	78	342	940	1,645	1,763
LTA	8,445	18,174	18,000	17,914	17,914
Contracted generation – as at June 30, 2012					
% of total generation	99%	98%	95%	91%	90%
Price per MWh	\$ 83	\$ 85	\$ 84	\$ 85	\$ 86

⁽¹⁾ Assets under construction are included only if long-term average and pricing details are available and the commercial operations date is established in a definitive construction contract.

⁽²⁾ Long-term average for 2013 to 2016 includes generation from two facilities in Brazil and one in Canada that are currently under construction with estimated commercial operation dates commencing in 2013 and 2014, respectively.

We have a predictable revenue profile driven by both long-term power purchase agreements 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 power purchase agreements 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 728 GWh of energy annually which is uncontracted. 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.

RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2012

The following table reflects the actual and long-term average generation for the six months ended June 30:

SIX MONTHS ENDED JUNE 30	Actual Generation		LTA Generation		Variance of Results		
	2012	2011	2012	2011	Actual vs. LTA	Actual vs. Prior year	
Generation (GWh)	2012	2011	2012	2011	2012	2011	2012
Hydroelectric generation							
United States	3,577	3,891	3,958	3,820	(381)	71	(314)
Canada	2,294	2,270	2,565	2,605	(271)	(335)	24
Brazil ⁽¹⁾	1,678	1,586	1,686	1,586	(8)	—	92
	7,549	7,747	8,209	8,011	(660)	(264)	(198)
Wind energy							
Canada	614	314	616	335	(2)	(21)	300
United States	311	—	410	—	(99)	—	311
	925	314	1,026	335	(101)	(21)	611
Other	444	354	320	204	124	150	90
Total generation ⁽²⁾	8,918	8,415	9,555	8,550	(637)	(135)	503

⁽¹⁾ In Brazil, assured generation levels are used as a proxy for long-term average.

⁽²⁾ Includes 100% of generation from equity-accounted investments.

The following table reflects the Adjusted EBITDA and funds from operations for the six months ended June 30:

	Results under actual generation			Results under LTA generation	
		<i>Pro forma</i> Basis	Consolidated Basis	<i>Pro forma</i> Basis	
SIX MONTHS ENDED JUNE 30 (MILLIONS, EXCEPT AS NOTED)	2012	2011 ⁽¹⁾	2011	2012	2011
Generation (GWh)	8,918	8,415	8,415	9,555	8,550
Revenues	\$ 763	\$ 703	\$ 622	\$ 829	\$ 723
Other income	10	10	10	10	10
Share of cash earnings from equity-accounted investments	8	12	12	8	12
Direct operating costs	(242)	(200)	(191)	(245)	(199)
Adjusted EBITDA	539	525	453	602	546
Interest expense - borrowings	(214)	(200)	(200)	(214)	(200)
Management service costs	(15)	(11)	—	(15)	(11)
Current income taxes	(13)	(6)	(6)	(13)	(6)
Cash portion of non-controlling interests	(35)	(28)	(28)	(34)	(25)
Funds from operations ⁽²⁾	\$ 262	\$ 280	\$ 219	\$ 326	\$ 304

⁽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⁾ Non-IFRS measure. See "Reconciliation of Funds From Operations to Net Income (loss)" and "Reconciliation of *Pro forma* Results".

Total generation for the six months ended June 30, 2012 was 8,918 GWh which was higher than the 8,415 GWh generated in the same period of the prior year and below long-term average of 9,555 GWh. The increase in generation over the same period in the prior year was primarily due to the contributions from our recently acquired and commissioned wind facilities in California and New England and the addition of a facility in Ontario which was commissioned in the fourth quarter of 2011.

On a year-to-date basis, the decrease in the second quarter's hydroelectric generation and financial results were mitigated by stronger first quarter results.

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, expected completion of acquisitions, 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", "targets" 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 election not 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 August 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" included in our Annual Information Form.

CAUTIONARY STATEMENT REGARDING USE OF NON-IFRS ACCOUNTING MEASURES

This Supplemental Information contains references to Adjusted EBITDA, funds from operations and net asset value which are not generally accepted accounting measures in accordance with IFRS and therefore may differ from definitions of Adjusted EBITDA, funds from operations and net asset value used by other entities. We believe that Adjusted EBITDA, funds from operations and net asset value 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 Adjusted EBITDA, funds from operations and net asset value 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 pro forma basis.

A reconciliation of Adjusted EBITDA and funds from operations to net income is presented in our Management's Discussion and Analysis related to our interim consolidated financial statements.

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