

# Brookfield



## SUPPLEMENTAL INFORMATION

September 30, 2014



## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

- This Supplemental Information contains forward-looking statements and information, within the meaning of Canadian securities laws and “forward-looking statements” within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended, Section 21E of the U.S. Securities Exchange Act of 1934, as amended, “safe harbor” of the United States Private Securities Litigation Reform Act of 1995 and in any applicable Canadian securities regulations, 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’s anticipated financial performance, future commissioning of assets, contracted portfolio, technology diversification, acquisition opportunities, expected completion of acquisitions, future energy prices and demand for electricity, economic recovery, achievement of long term average generation, project development and capital expenditure costs, diversification of shareholder base, energy policies, economic growth, growth potential of the renewable asset class, 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: our limited operating history; the risk that we may be deemed an “investment company” under the Investment Company Act; the fact that we are not subject to the same disclosure requirements as a U.S. domestic issuer; the risk that the effectiveness of our internal controls over financial reporting could have a material effect on our business; 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; volatility in supply and demand in the energy market; exposure to additional costs as a result of our operations being highly regulated and exposed to increased regulation; 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; exposure to force majeure events; exposure to uninsurable losses; adverse changes in currency exchange rates; availability and access to interconnection facilities and transmission systems; health, safety, security and environmental risks; disputes, governmental and regulatory investigations and litigation; local communities affecting our operations; losses resulting from fraud, bribery, corruption, other illegal acts, inadequate or failed internal processes or systems, or from external events; risks relating to our reliance on computerized business systems; general industry risks relating to operating in the North American, Brazilian and European 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; our inability to finance our operations due to the status of the capital markets; 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 sufficient investment opportunities and complete transactions; risks related to the growth of our portfolio and our inability to realize the expected benefits of our transactions; 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 our operations conducted through joint ventures, partnerships and consortium arrangements; our ability to issue equity or debt for future acquisitions and developments will be dependent on capital markets; foreign laws or regulation to which we become subject as a result of future acquisitions in new markets; and the departure of some or all of Brookfield’s key professionals.
- 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 November 4, 2014, 2014, 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 Form 20-F.

## CAUTIONARY STATEMENT REGARDING USE OF NON-IFRS MEASURES

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

## Summary of Financial Performance

(MILLIONS, EXCEPT AS NOTED)	Three months ended Sep 30		Nine months ended Sep 30	
	2014	2013	2014	2013
<b>Operational Information: <sup>(1)</sup></b>				
Capacity (MW)	6,707	5,849	6,707	5,849
Long-term average generation (GWh) <sup>(2)</sup>	5,065	4,960	17,526	16,456
Actual generation (GWh) <sup>(2)</sup>	4,383	5,154	16,709	16,954
Average revenue (\$ per MWh)	78	76	80	77
<b>Selected Financial Information:</b>				
Revenues	\$ 342	\$ 392	\$ 1,296	\$ 1,313
Adjusted EBITDA <sup>(3)</sup>	223	260	943	936
Funds from operations <sup>(3)</sup>	61	108	444	457
Adjusted funds from operations <sup>(3)</sup>	46	94	401	415
Net income	(25)	28	172	191
Distributions per LP Unit <sup>(4) (5)</sup>	1.53	1.43	1.53	1.43
Debt to total capitalization <sup>(6)</sup>	41%	39%	41%	39%

(1) Includes 100% of capacity and generation from equity-accounted investments.

(2) For assets acquired or reaching commercial operation during the year, this figure is calculated from the acquisition or commercial operation date.

(3) Non-IFRS measures. See "Cautionary Statement Regarding Use of Non-IFRS Measures" and "Reconciliation of Non-IFRS Measures".

(4) Figure is based on the last twelve months of operations.

(5) Represents distributions per share to holders of Redeemable/Exchangeable Units, LP Units and general partnership interest.

(6) Total capitalization is calculated as total debt plus deferred income tax liabilities, net of deferred income tax assets, and equity.

One of the largest public pure-play renewable power businesses in the world

100 years of experience in power generation

1,300 operating employees

**\$19B**

POWER ASSETS

234 generating facilities



**6,700**

MEGAWATTS OF CAPACITY

13 markets in 5 countries



**85%**

HYDROELECTRIC GENERATION

Situated on 72 river systems



	River Systems	Generating Facilities	Generating Units	Capacity (1) (MW)	LTA (1)(2) (GWh)	Storage (GWh)
<b>Hydroelectric generation</b>						
United States (3)	30	136	421	3,191	11,464	3,582
Canada (3)	19	33	73	1,361	5,184	1,261
Brazil (4)	23	35	75	670	3,614	N/A
	72	204	569	5,222	20,262	4,843
<b>Wind energy</b>						
United States	-	8	724	538	1,394	-
Canada	-	3	220	406	1,197	-
Europe	-	17	171	326	821	-
	-	28	1,115	1,270	3,412	-
<b>Other</b>						
	-	2	6	215	349	-
	72	234	1,690	6,707	24,023	4,843

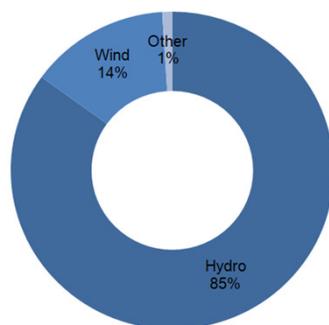
(1) Includes 100% of capacity and long-term average generation from equity-accounted investments.

(2) Long-term average ("LTA") is calculated on an annualized basis from the beginning of the year, regardless of the acquisition or commercial operation date.

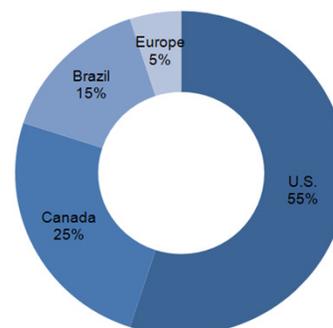
(3) Long-term average is the expected average level of generation, as obtained from the results of a simulation based on historical inflow data performed over a period of typically 30 years.

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

### Generation by Technology



### Generation by Market



**Financial Review for the Three  
Months Ended September 30, 2014**



## Generation for the Three Months Ended September 30

GENERATION (GWh)	Actual Generation <sup>(1)</sup>		LTA Generation <sup>(1)</sup>		Variance of Results		
					Actual vs. LTA		Actual vs. Prior Year
	2014	2013	2014	2013	2014	2013	
Hydroelectric generation							
United States	2,183	2,353	2,160	2,013	23	340	(170)
Canada	987	1,292	1,233	1,234	(246)	58	(305)
Brazil	633	894	887	894	(254)	-	(261)
	3,803	4,539	4,280	4,141	(477)	398	(736)
Wind energy							
United States	240	295	341	341	(101)	(46)	(55)
Canada	152	146	238	238	(86)	(92)	6
Europe	174	-	160	-	14	-	174
	566	441	739	579	(173)	(138)	125
Other	14	174	46	240	(32)	(66)	(160)
<b>Total <sup>(2)</sup></b>	<b>4,383</b>	<b>5,154</b>	<b>5,065</b>	<b>4,960</b>	<b>(682)</b>	<b>194</b>	<b>(771)</b>

(1) For assets acquired or reaching commercial operation during the year, this figure is calculated from the acquisition or commercial operation date.

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

**Generation** was 4,383 GWh for the third quarter of 2014, lower than the long-term average of 5,065 GWh, and a decrease of 771 GWh as compared to the same period of the prior year in which generation was above the long-term average.

- **Hydroelectric** generation was 3,803 GWh, below the long-term average of 4,280 GWh and a decrease of 736 GWh from the prior year. Generation from existing hydroelectric assets was 3,677 GWh compared to 4,539 GWh for the prior year. Our recently acquired and commissioned facilities contributed 126 GWh. The variance in year-over-year results from existing facilities reflects the return to more normal generation levels in the United States after experiencing very strong hydrological conditions across much of the portfolio in the prior year, as well as generation levels that were below the long-term average in Canada in the current quarter. In Brazil, our full year generation is largely consistent with assured levels, as shown on Page 13, however the in-quarter variance reflects our strategy of shifting generation into the first quarter from the third quarter to take advantage of favorable pricing.
- **Wind** generation of 566 GWh was 125 GWh higher compared to the prior year. The wind portfolio in Ireland contributed 174 GWh, partly offsetting the lower than average wind conditions across the rest of the wind portfolio.

## Financial Review for the Three Months Ended September 30

(MILLIONS, EXCEPT AS NOTED)	2014	2013
Revenues	\$ 342	\$ 392
Other income	3	1
Share of cash earnings from equity-accounted investments	10	7
Direct operating costs	(132)	(140)
Adjusted EBITDA <sup>(1)</sup>	223	260
Interest expense – borrowings	(106)	(105)
Management service costs	(14)	(9)
Current income taxes	(5)	(4)
Less: cash portion of non-controlling interests		
Preferred equity	(10)	(10)
Participating non-controlling interests - in operating subsidiaries	(27)	(24)
Funds from operations <sup>(1)</sup>	61	108
Less: sustaining capital expenditures <sup>(2)</sup>	(15)	(14)
Adjusted funds from operations <sup>(1)</sup>	\$ 46	94
Basic and diluted (loss) earnings per LP unit <sup>(3)</sup>	\$ (0.13)	0.04

(1) Non-IFRS measures. See "Cautionary Statement Regarding Use of Non-IFRS Measures" and "Reconciliation of Non-IFRS Measures".

(2) Based on long-term capital expenditure plans.

(3) Average LP Units outstanding during the period totaled 143.3 million (2013: 133.0 million).

**Adjusted EBITDA** totaled \$223 million for the third quarter of 2014, a decrease of \$37 million from the prior year which benefited from higher than average generation.

- **Revenues** totaled \$342 million, \$50 million lower than prior year in which generation was above average. The \$30 million contribution from the growth in the portfolio was offset by the lower same store generation. The average realized price in the current period of \$78/MWh is slightly higher than the \$76/MWh realized in the prior year and consistent with the largely contracted nature of the portfolio.
- **Direct operating costs** totaled \$132 million representing a year-over-year decrease of \$8 million primarily attributable to the growth in our portfolio (\$14 million) being offset by the savings achieved from the cost efficiencies at our operations and the reduction in power purchased in the open market for our co-generation facilities.

**Interest expense** totaled \$106 million representing a year-over-year increase of \$1 million. The financing relating to the growth in our portfolio was partly offset by the decrease in borrowing costs due to repayments in the normal course on existing subsidiary borrowings and on our credit facilities.

**Funds from operations** totaled \$61 million representing a year-over-year decrease of \$47 million, and reflecting the changes described above.

## Capitalization and Available Liquidity

A key element of our financing strategy is to raise the majority of our debt in the form of asset-specific, non-recourse borrowings at our subsidiaries on an investment grade basis. As at September 30, 2014, long-term indebtedness increased from December 31, 2013 as a result of the portfolio growth. The debt to capitalization ratio remained unchanged from December 31, 2013 and was 41% as at September 30, 2014.

(MILLIONS, EXCEPT AS NOTED)	Sep 30 2014	Dec 31 2013
Credit facilities (1)	\$ 512	\$ 311
Corporate borrowings (1)	1,334	1,406
Subsidiary borrowings (2)	5,476	4,906
Long-term indebtedness	7,322	6,623
Deferred income tax liabilities, net of deferred income tax assets	2,183	2,148
Equity	8,270	7,536
Total capitalization	\$ 17,775	\$ 16,307
Debt to total capitalization	41%	41%

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

(2) Issued by subsidiaries of Brookfield Renewable and secured against their respective assets. The amounts are not guaranteed.

We operate with substantial liquidity which enables us to fund growth initiatives, capital expenditures, distributions, withstand sudden adverse changes in economic circumstances or short term fluctuations in generation, and to finance the business on an investment grade basis. Principal sources of liquidity are cash flows from operations and access to public and private capital markets.

(MILLIONS)	As of the date of this report	Sep 30 2014	Dec 31 2013
Cash and cash equivalents	\$ 196	\$ 196	\$ 203
Credit facilities			
Authorized credit facilities	1,480	1,480	1,480
Draws on credit facilities	(339)	(512)	(311)
Issued letters of credit	(230)	(226)	(212)
Available portion of credit facilities	911	742	957
Available liquidity	\$ 1,107	\$ 938	\$ 1,160

## Long Term Debt and Credit Facilities

(MILLIONS)	Balance of 2014	2015	2016	2017	2018	Thereafter	Total
<b>Principal repayments</b> <sup>(1)</sup>							
Subsidiary borrowings							
United States	\$ 274	\$ 147	\$ 97	\$ 785	\$ 283	\$ 1,412	\$ 2,998
Canada	15	54	140	52	55	1,565	1,881
Brazil	6	25	23	23	22	112	211
Europe	6	23	24	27	29	305	414
	301	249	284	887	389	3,394	5,504
Corporate borrowings and credit facilities <sup>(1)</sup>	-	-	268	-	179	1,405	1,852
Equity-accounted investments	-	31	-	125	-	-	156
	\$ 301	\$ 280	\$ 552	\$ 1,012	\$ 568	\$ 4,799	\$ 7,512

(1) Subsidiary borrowings and corporate borrowings and credit facilities include \$55 million and \$21 million of unamortized deferred financing fees and premiums, respectively.

Subsidiary borrowings maturing in the remainder of 2014 include \$250 million on a hydroelectric portfolio in the southeastern United States. We are currently in process of extending this facility prior to its expiry.

The overall maturity profile and average interest rates associated with our borrowings and credit facilities are as follows:

	Average term (years)		Average interest rate (%)	
	Sep 30 2014	Dec 31 2013	Sep 30 2014	Dec 31 2013
Corporate borrowings	7.0	7.7	5.3	5.3
Subsidiary borrowings	11.2	11.8	5.7	6.0
Credit facilities	4.8	3.8	1.4	1.4

## Contract Profile

The following table sets out contracts over the next five years for generation output assuming long-term average:

FOR THE YEAR ENDED DECEMBER 31	Balance of 2014	2015	2016	2017	2018
<b>Generation (GWh)</b>					
<b>Contracted<sup>(1)</sup></b>					
Hydroelectric	4,217	15,222	14,877	14,139	13,907
Wind energy	905	3,619	3,635	3,583	3,530
<b>Uncontracted</b>	5,122	18,841	18,512	17,722	17,437
	938	5,252	5,580	6,360	6,645
<b>Total long-term average</b>	6,060	24,093	24,092	24,082	24,082
<b>Long-term average on a proportionate basis <sup>(2)</sup></b>	4,725	18,660	18,650	18,640	18,640
<b>Contracted generation - as at September 30, 2014</b>					
% of total generation	85 %	78 %	77 %	74 %	72 %
% of total generation on a proportionate basis <sup>(2)</sup>	92 %	87 %	86 %	82 %	81 %
<b>Price per MWh</b>	\$ 79	\$ 84	\$ 85	\$ 84	\$ 85

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

(2) Long-term average on a proportionate basis includes wholly-owned assets, and our share of partially-owned assets and equity-accounted investments.

The majority of the long-term power sales agreements are with investment-rated or creditworthy counterparties. At the beginning of 2014, the composition of our contracted generation for 2014 was comprised of: affiliates of Brookfield Asset Management (42%), public power authorities (22%), industrial users (30%) and distribution companies (6%).

**Financial Review for the Nine  
Months Ended September 30, 2014**



## Generation for the Nine Months Ended September 30

					Variance of Results		
	Actual Generation <sup>(1)</sup>		LTA Generation <sup>(1)</sup>		Actual vs. LTA		Actual vs. Prior Year
	2014	2013	2014	2013	2014	2013	
<b>GENERATION (GWh)</b>							
Hydroelectric generation							
United States	7,859	7,856	7,989	7,231	(130)	625	3
Canada	3,856	4,093	3,914	3,891	(58)	202	(237)
Brazil	2,576	2,733	2,714	2,733	(138)	-	(157)
	14,291	14,682	14,617	13,855	(326)	827	(391)
Wind energy							
United States	940	970	1,120	1,067	(180)	(97)	(30)
Canada	731	747	854	854	(123)	(107)	(16)
Europe <sup>(2)</sup>	592	-	591	-	1	-	592
	2,263	1,717	2,565	1,921	(302)	(204)	546
Other	155	555	344	680	(189)	(125)	(400)
<b>Total <sup>(3)</sup></b>	<b>16,709</b>	<b>16,954</b>	<b>17,526</b>	<b>16,456</b>	<b>(817)</b>	<b>498</b>	<b>(245)</b>

(1) For assets acquired or reaching commercial operation during the year, this figure is calculated from the acquisition or commercial operation date.

(2) We completed the acquisition of the wind portfolio in Ireland on June 30, 2014. Pursuant to the terms of the purchase and sale agreement, Brookfield Renewable acquired an economic interest in the wind portfolio from January 1, 2014. Accordingly, generation from January 1, 2014 to June 30, 2014 was recorded in the second quarter of 2014.

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

**Generation** was 16,709 GWh for the nine months ended September 30, 2014, compared to the long-term average of 17,526 GWh, and a decrease of 245 GWh as compared to the prior year in which generation was above average.

- **Hydroelectric** generation was 14,291 GWh, below the long-term average of 14,617 GWh and a decrease of 391 GWh as compared to the prior year. Generation from existing facilities was 13,558 GWh, compared to 14,682 GWh for the prior year. The recent growth in our portfolio, and a full period's contributions from facilities acquired in the first quarter of 2013 resulted in incremental generation of 733 GWh. Lower inflows across much of the United States and Canada resulted in a decrease in generation levels compared to the prior year, which experienced strong hydrological conditions and generation. In Brazil, generation is largely consistent with assured energy levels.
- **Wind** generation was 2,263 GWh, 546 GWh higher compared to the prior year. The recent growth in our portfolio and a full period's contribution from the facilities acquired in the first quarter of 2013 resulted in incremental 619 GWh. The increase from portfolio growth was partly offset by lower than average wind conditions across the rest of the wind portfolio.

## Financial Review for the Nine Months Ended September 30

(MILLIONS, EXCEPT AS NOTED)	2014	2013
Revenues	\$ 1,296	\$ 1,313
Other income	8	5
Share of cash earnings from equity-accounted investments	25	19
Direct operating costs	(386)	(401)
Adjusted EBITDA <sup>(1)</sup>	943	936
Fixed earnings adjustment <sup>(2)</sup>	11	-
Interest expense – borrowings	(309)	(313)
Management service costs	(38)	(32)
Current income taxes	(19)	(15)
Less: cash portion of non-controlling interests		
Preferred equity	(29)	(27)
Participating non-controlling interests - in operating subsidiaries	(115)	(92)
Funds from operations <sup>(1)</sup>	444	457
Less: sustaining capital expenditures <sup>(3)</sup>	(43)	(42)
Adjusted funds from operations <sup>(1)</sup>	\$ 401	\$ 415
Basic and diluted earnings per LP Unit <sup>(4)</sup>	\$ 0.31	\$ 0.44

(1) Non-IFRS measures. See "Cautionary Statement Regarding Use of Non-IFRS Measures" and "Reconciliation of Non-IFRS Measures".

(2) The fixed earnings adjustment relates to Brookfield Renewable's investment in the acquisition of the wind portfolio in Ireland. Pursuant to the terms of the purchase and sale agreement, Brookfield Renewable acquired an economic interest in the wind portfolio from January 1, 2014. The transaction closed on June 30, 2014, and accordingly under IFRS, the \$11 million net funds from operations contribution was recorded as part of the purchase price.

(3) Based on long-term capital expenditure plans.

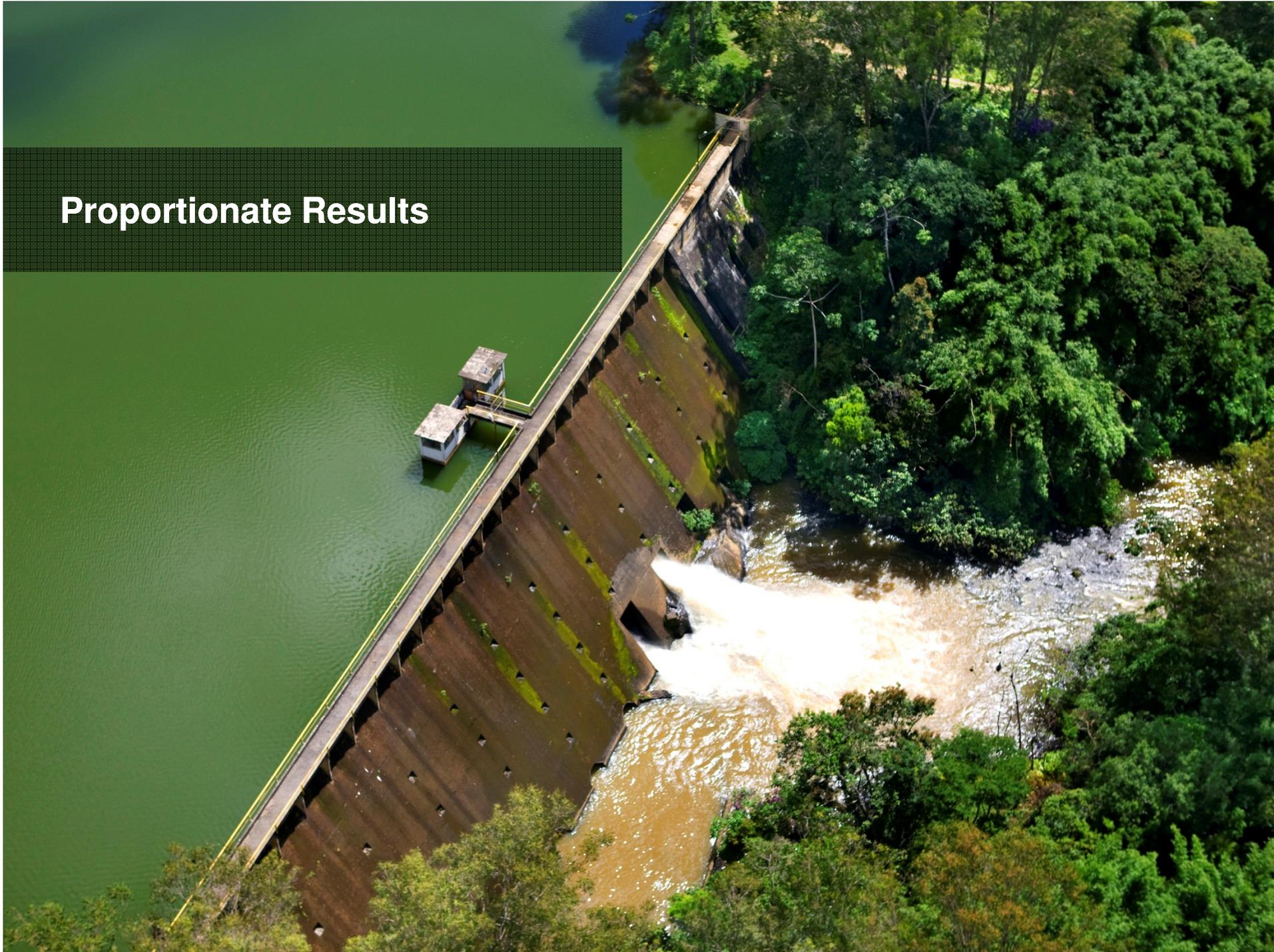
(4) Average LP Units outstanding during the period totaled 137.2 million (2013: 132.9 million).

**Adjusted EBITDA** totaled \$943 million for the nine months ended September 30, 2014, an increase of \$7 million from the prior year.

- **Revenues** totaled \$1,296 million which represented a year-over-year decrease of \$17 million. The recent growth in our portfolio and a full period's contribution from facilities acquired or commissioned in the first quarter of 2013 resulted in a contribution of \$95 million. The decrease in generation across the entire portfolio and a contractual decrease in price at one of our facilities located in the Midwestern United States collectively amounted to \$65 million. The appreciation of the U.S. dollar impacted revenues by \$47 million but also affected costs and other expenses resulting in a year-over-year decrease to funds from operations of \$23 million.
- **Direct operating costs** totaling \$386 million represents a year-over-year decrease of \$15 million attributable to the savings achieved from the cost efficiencies at our operations and the reduction in power purchased in the open market for our co-generation facilities. The expense related to the growth in our portfolio was \$29 million.
- **Interest expense** totaling \$309 million, represents a year-over-year decrease of \$4 million. The financing relating to the growth in our portfolio was partly offset by the decrease in borrowing costs due to repayments in the normal course on existing subsidiary borrowings and on our credit facilities.

**Funds from operations** totaling \$444 million represents a year-over-year decrease of \$13 million.

# Proportionate Results



## Generation on a Proportionate Basis for the Three Months Ended September 30, 2014

The following table illustrates generation results for the three months ended September 30, 2014 on a proportionate basis, while adjusting for the share from facilities in which we own less than 100%.

GENERATION (GWh) (1)	Proportionate			Total	Third party interests	Consolidated
	Wholly-owned assets	Partially-owned assets	Equity-accounted investments			
Hydroelectric generation						
United States	993	511	51	1,555	628	2,183
Canada	919	-	34	953	34	987
Brazil	539	15	16	570	63	633
	2,451	526	101	3,078	725	3,803
Wind energy						
United States	66	38	-	104	136	240
Canada	152	-	-	152	-	152
Europe	-	70	-	70	104	174
	218	108	-	326	240	566
Other	14	-	-	14	-	14
<b>Total generation - 2014</b>	<b>2,683</b>	<b>634</b>	<b>101</b>	<b>3,418</b>	<b>965</b>	<b>4,383</b>
<b>Total generation - 2013</b>	<b>3,935</b>	<b>362</b>	<b>118</b>	<b>4,415</b>	<b>739</b>	<b>5,154</b>

(1) For assets acquired or reaching commercial operation during the year, this figure is calculated from the acquisition or commercial operation date.

## Financial Results on a Proportionate Basis for the Three Months Ended September 30, 2014

The following table illustrates the financial results for the three months ended September 30, 2014 including revenues, adjusted EBITDA, and funds from operations on a proportionate basis, while adjusting for the share from facilities in which we own less than 100%.

	Proportionate				Third party Interest	Consolidated
	Wholly-owned assets	Partially-owned assets	Equity-accounted investments	Total		
(MILLIONS)						
Revenues	\$ 214	\$ 62	\$ -	\$ 276	\$ 66	\$ 342
Other income	3	-	-	3	-	3
Share of cash earnings from equity accounted investments	-	-	10	10	-	10
Direct operating costs	(94)	(15)	-	(109)	(23)	(132)
Adjusted EBITDA <sup>(1)</sup>	123	47	10	180	43	223
Interest expense - borrowings	(71)	(19)	-	(90)	(16)	(106)
Management service costs	(14)	-	-	(14)	-	(14)
Current income taxes	(5)	-	-	(5)	-	(5)
Preferred equity	(10)	-	-	(10)	-	(10)
Participating non-controlling interest - in operating subsidiaries	-	-	-	-	(27) <sup>(2)</sup>	(27)
Funds from operations - 2014 <sup>(1)</sup>	\$ 23	\$ 28	\$ 10	\$ 61	\$ -	\$ 61
Funds from operations - 2013 <sup>(1)</sup>	\$ 75	\$ 26	\$ 7	\$ 108	\$ -	\$ 108

(1) Non-IFRS measures. See "Cautionary Statement Regarding Use of Non-IFRS Measures" and "Reconciliation of Non-IFRS Measures".

(2) Represents third party interests in funds from operations.

## Generation on a Proportionate Basis for the Nine Months Ended September 30, 2014

The following table illustrates generation results for the nine months ended September 30, 2014 on a proportionate basis, while adjusting for the share from facilities in which we own less than 100%.

GENERATION (GWh) (1)	Proportionate			Total	Third party interests	Consolidated
	Wholly-owned assets	Partially-owned assets	Equity-accounted investments			
Hydroelectric generation						
United States	3,890	1,734	167	5,791	2,068	7,859
Canada	3,709	12	65	3,786	70	3,856
Brazil	2,265	49	58	2,372	204	2,576
	9,864	1,795	290	11,949	2,342	14,291
Wind energy						
United States	254	148	-	402	538	940
Canada	731	-	-	731	-	731
Europe (2)	-	237	-	237	355	592
	985	385	-	1,370	893	2,263
Other	155	-	-	155	-	155
<b>Total generation - 2014</b>	<b>11,004</b>	<b>2,180</b>	<b>290</b>	<b>13,474</b>	<b>3,235</b>	<b>16,709</b>
<b>Total generation - 2013</b>	<b>12,835</b>	<b>1,247</b>	<b>370</b>	<b>14,452</b>	<b>2,502</b>	<b>16,954</b>

(1) For assets acquired or reaching commercial operation during the year, this figure is calculated from the acquisition or commercial operation date.

(2) We completed the acquisition of the wind portfolio in Ireland on June 30, 2014. Pursuant to the terms of the purchase and sale agreement, Brookfield Renewable acquired an economic interest in the wind portfolio from January 1, 2014. Accordingly, generation from January 1, 2014 to June 30, 2014 was recorded in the second quarter of 2014.

## Financial Results on a Proportionate Basis for the Nine Months Ended September 30, 2014

The following table illustrates the financial results for the nine months ended September 30, 2014 including revenues, adjusted EBITDA, and funds from operations on a proportionate basis, while adjusting for the share from facilities in which we own less than 100%.

	Proportionate				Third party Interest	Consolidated
	Wholly-owned assets	Partially-owned assets	Equity-accounted investments	Total		
<i>(MILLIONS)</i>						
Revenues	\$ 868	\$ 209	\$ -	\$ 1,077	\$ 219	\$ 1,296
Other income	8	-	-	8	-	8
Share of cash earnings from equity accounted investments	-	-	25	25	-	25
Direct operating costs	(288)	(41)	-	(329)	(57)	(386)
Adjusted EBITDA <sup>(1)</sup>	588	168	25	781	162	943
Fixed earnings adjustment <sup>(2)</sup>	-	11	-	11	-	11
Interest expense - borrowings	(211)	(52)	-	(263)	(46)	(309)
Management service costs	(38)	-	-	(38)	-	(38)
Current income taxes	(16)	(2)	-	(18)	(1)	(19)
Preferred equity	(29)	-	-	(29)	-	(29)
Participating non-controlling interest - in operating subsidiaries	-	-	-	-	(115) <sup>(3)</sup>	(115)
Funds from operations - 2014 <sup>(1)</sup>	\$ 294	\$ 125	\$ 25	\$ 444	\$ -	\$ 444
Funds from operations - 2013 <sup>(1)</sup>	\$ 339	\$ 99	\$ 19	\$ 457	\$ -	\$ 457

(1) Non-IFRS measures. See "Cautionary Statement Regarding Use of Non-IFRS Measures" and "Reconciliation of Non-IFRS Measures".

(2) The fixed earnings adjustment relates to Brookfield Renewable's investment in the acquisition of the wind portfolio in Ireland. Pursuant to the terms of the purchase and sale agreement, Brookfield Renewable acquired an economic interest in the wind portfolio from January 1, 2014. The transaction closed on June 30, 2014, and accordingly under IFRS, the \$11 million net funds from operations contribution was recorded as part of the purchase price.

(3) Represents third party interests in funds from operations.

# Reconciliation of Non-IFRS Measures



## Performance Measurement

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One of our primary business objectives is to generate reliable and growing cash flows while minimizing risk for the benefit of all stakeholders. We monitor our performance in this regard through four key metrics – i) Net Income, ii) Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization, iii) Funds From Operations, and iv) Adjusted Funds from Operations. It is important to highlight that adjusted EBITDA, funds from operations, and adjusted funds from operations do not have any standardized meaning prescribed by IFRS and therefore are unlikely to be comparable to similar measures presented by other companies.

- **Net Income** – Calculated in accordance with IFRS.
- **Adjusted Earnings Before Interest, Taxes, Depreciation, and Amortization (Adjusted EBITDA)** – Defined as revenue less direct costs (including energy marketing costs), plus our share of cash earnings from equity-accounted investments and other income, before interest, income taxes, depreciation, management service costs and the cash portion of non-controlling interests.
- **Funds From Operations** – 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. For the nine months ended September 30, 2014 funds from operations include the earnings received from the wind portfolio we acquired in Ireland, reflecting our economic interest from January 1, 2014 to June 30, 2014.

Our payout ratio is defined as distributions to Redeemable/Exchangeable Units, LP Units and general partnership interest, including general partner incentive distributions, divided by funds from operations

- **Adjusted Funds From Operations** – Defined as funds from operations less Brookfield Renewable's share of levelized sustaining capital expenditures (based on long term capital expenditure plans).

## Financial Review by Segments for the Three Months Ended September 30

The following table reflects adjusted EBITDA, funds from operations, adjusted funds from operations, and provides a reconciliation to net income and cash flows from operating activities for the three months ended September 30:

(MILLIONS)	Hydroelectric	Wind	Co-gen and Other	2014	2013
Revenues	\$ 275	\$ 65	\$ 2	\$ 342	\$ 392
Other income	3	-	-	3	1
Share of cash earnings from equity-accounted investments	10	-	-	10	7
Direct operating costs	(90)	(22)	(20)	(132)	(140)
Adjusted EBITDA <sup>(1)</sup>	198	43	(18)	223	260
Interest expense - borrowings	(61)	(23)	(22)	(106)	(105)
Management service costs	-	-	(14)	(14)	(9)
Current income taxes	(5)	-	-	(5)	(4)
Less: cash portion of non-controlling interests					
Preferred equity	-	-	(10)	(10)	(10)
Cash portion of non-controlling interests - in operating subsidiaries	(18)	(9)	-	(27)	(24)
Funds from operations <sup>(1)</sup>	\$ 114	\$ 11	\$ (64)	\$ 61	\$ 108
Less: sustaining capital expenditures <sup>(2)</sup>				(15)	(14)
Adjusted funds from operations <sup>(1)</sup>				46	94
Add: sustaining capital expenditures				15	14
Add: cash portion of non-controlling interests				37	34
Other items:					
Depreciation and amortization				(145)	(133)
Unrealized financial instrument gain				9	11
Share of non-cash loss from equity-accounted investments				(3)	(4)
Deferred income tax expense				27	10
Other				(11)	2
Net income				(25)	28
Adjustments for non-cash items				107	110
Dividends received from equity accounted investments				10	8
Changes in due to or from related parties				8	24
Net change in working capital balances				88	79
Cash flow from operating activities				188	249

(1) Non-IFRS measures. See "Cautionary Statement Regarding Use of Non-IFRS Measures".

(2) Based on long-term capital expenditure plans.

## Financial Review by Segments for the Nine Months Ended September 30, 2014

The following table reflects adjusted EBITDA, funds from operations, adjusted funds from operations, and provides a reconciliation to net income and cash flows from operating activities for the nine months ended September 30:

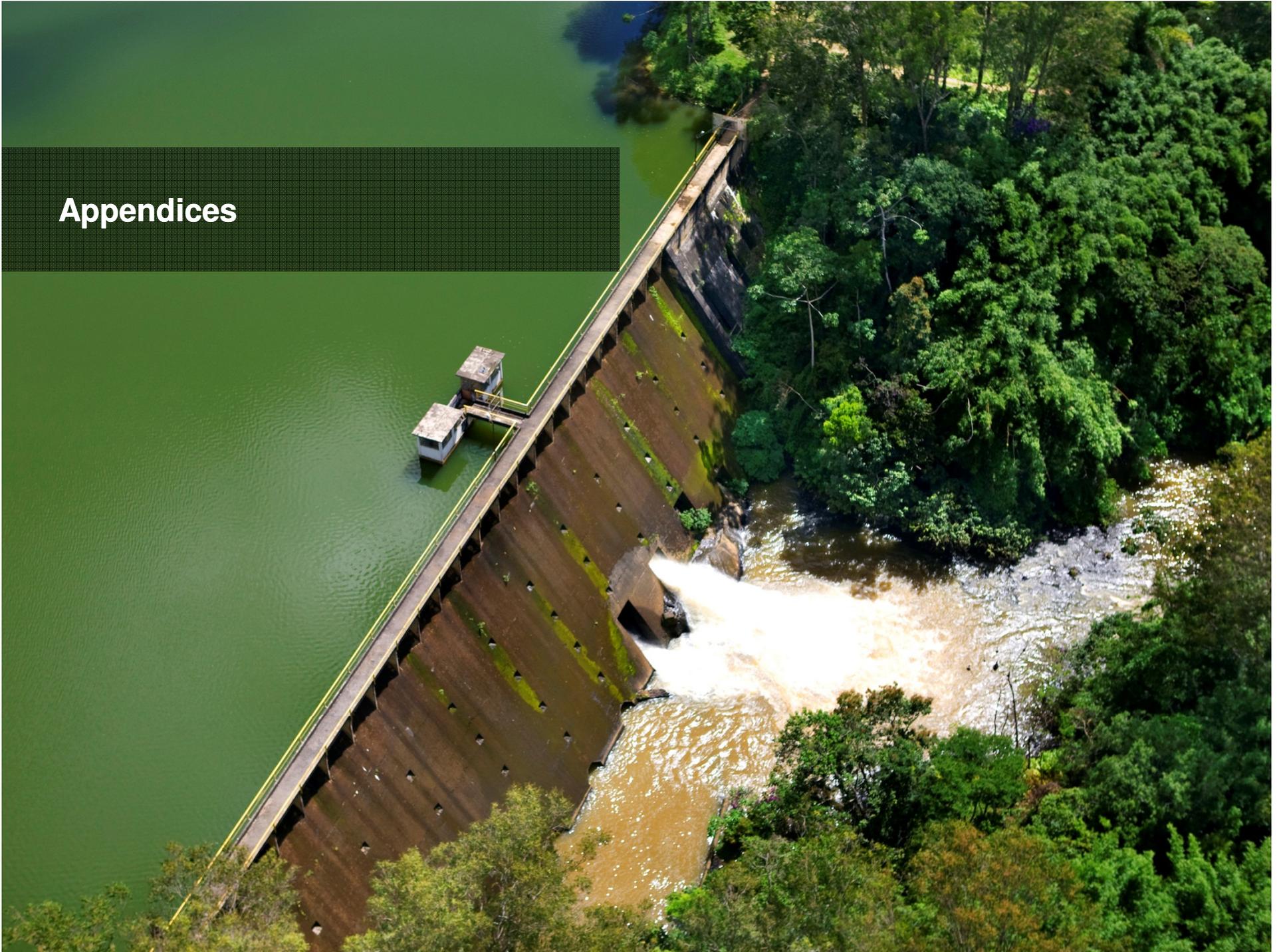
(MILLIONS)	Hydroelectric	Wind	Co-gen and Other	2014	2013
Revenues	\$ 1,060	\$ 211	\$ 25	\$ 1,296	\$ 1,313
Other income	8	-	-	8	5
Share of cash earnings from equity-accounted investments	25	-	-	25	19
Direct operating costs	(270)	(51)	(65)	(386)	(401)
Adjusted EBITDA <sup>(1)</sup>	823	160	(40)	943	936
Fixed earnings adjustment <sup>(2)</sup>	-	11	-	11	-
Interest expense - borrowings	(181)	(63)	(65)	(309)	(313)
Management service costs	-	-	(38)	(38)	(32)
Current income taxes	(19)	-	-	(19)	(15)
Less: cash portion of non-controlling interests					
Preferred equity	-	-	(29)	(29)	(27)
Cash portion of non-controlling interests - in operating subsidiaries	(82)	(33)	-	(115)	(92)
Funds from operations <sup>(1)</sup>	\$ 541	\$ 75	\$ (172)	\$ 444	\$ 457
Less: sustaining capital expenditures <sup>(3)</sup>				(43)	(42)
Adjusted funds from operations <sup>(1)</sup>				401	415
Add: sustaining capital expenditures				43	42
Add: cash portion of non-controlling interests				144	119
Less: fixed earnings adjustment				(11)	-
Other items:					
Depreciation and amortization				(400)	(398)
Unrealized financial instrument gain				5	30
Share of non-cash loss from equity-accounted investments				(15)	(10)
Deferred income tax expense				8	(1)
Other				(3)	(6)
Net income				172	191
Adjustments for non-cash items				379	363
Dividends received from equity accounted investments				28	14
Changes in due to or from related parties				14	14
Net change in working capital balances				47	87
Cash flow from operating activities				640	669

(1) Non-IFRS measures. See "Cautionary Statement Regarding Use of Non-IFRS Measures".

(2) The fixed earnings adjustment relates to Brookfield Renewable's investment in the acquisition of the wind portfolio in Ireland. Pursuant to the terms of the purchase and sale agreement, Brookfield Renewable acquired an economic interest in the wind portfolio from January 1, 2014. The transaction closed on June 30, 2014, and accordingly under IFRS, the \$11 million net funds from operations contribution was recorded as part of the purchase price.

(3) Based on long-term capital expenditure plans.

# Appendices



## Results of Hydroelectric Operations for the Three Months Ended September 30

(MILLIONS, EXCEPT AS NOTED)				
2014				
	United States	Canada	Brazil	Total
Generation (GWh) – LTA <sup>(1) (2)</sup>	2,160	1,233	887	4,280
Generation (GWh) – actual <sup>(1) (2)</sup>	2,183	987	633	3,803
Revenues	\$ 151	\$ 64	\$ 60	\$ 275
Adjusted EBITDA <sup>(3)</sup>	104	50	44	198
Funds from operations <sup>(3)</sup>	\$ 53	\$ 31	\$ 30	\$ 114

(MILLIONS, EXCEPT AS NOTED)				
2013				
	United States	Canada	Brazil	Total
Generation (GWh) – LTA <sup>(1) (2)</sup>	2,013	1,234	894	4,141
Generation (GWh) – actual <sup>(1) (2)</sup>	2,353	1,292	894	4,539
Revenues	\$ 160	\$ 93	\$ 69	\$ 322
Adjusted EBITDA <sup>(3)</sup>	111	76	47	234
Funds from operations <sup>(3)</sup>	\$ 58	\$ 59	\$ 36	\$ 153

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

(2) For assets acquired or reaching commercial operation during the year, this figure is calculated from the acquisition or commercial operation date.

(3) Non-IFRS measures. See "Cautionary Statement Regarding Use of Non-IFRS Measures" and "Reconciliation of Non-IFRS Measures".

## Results of Wind Operations for the Three Months Ended September 30

(MILLIONS, EXCEPT AS NOTED)		2014				
	United States		Canada		Europe	Total
Generation (GWh) – LTA <sup>(1) (2)</sup>	341		238		160	739
Generation (GWh) – actual <sup>(1) (2)</sup>	240		152		174	566
Revenues	\$	28	\$	19	\$	18
Adjusted EBITDA <sup>(3)</sup>		18		14		11
Funds from operations <sup>(3)</sup>	\$	4	\$	5	\$	2
			\$		\$	11

(MILLIONS, EXCEPT AS NOTED)		2013				
	United States		Canada		Europe	Total
Generation (GWh) – LTA <sup>(1) (2)</sup>	341		238		N/A	579
Generation (GWh) – actual <sup>(1) (2)</sup>	295		146		N/A	441
Revenues	\$	34	\$	19	\$	N/A
Adjusted EBITDA <sup>(3)</sup>		24		14		N/A
Funds from operations <sup>(3)</sup>	\$	6	\$	4	\$	N/A
			\$		\$	10

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

(2) For assets acquired or reaching commercial operation during the year, this figure is calculated from the acquisition or commercial operation date.

(3) Non-IFRS measures. See "Cautionary Statement Regarding Use of Non-IFRS Measures" and "Reconciliation of Non-IFRS Measures".

## Results of Hydroelectric Operations for the Nine Months Ended September 30

(MILLIONS, EXCEPT AS NOTED)		2014			
	United States	Canada	Brazil	Total	
Generation (GWh) – LTA <sup>(1) (2)</sup>	7,989	3,914	2,714	14,617	
Generation (GWh) – actual <sup>(1) (2)</sup>	7,859	3,856	2,576	14,291	
Revenues	\$ 575	\$ 269	\$ 216	\$ 1,060	
Adjusted EBITDA <sup>(3)</sup>	431	224	168	823	
Funds from operations <sup>(3)</sup>	\$ 243	\$ 171	\$ 127	\$ 541	

(MILLIONS, EXCEPT AS NOTED)		2013			
	United States	Canada	Brazil	Total	
Generation (GWh) – LTA <sup>(1) (2)</sup>	7,231	3,891	2,733	13,855	
Generation (GWh) – actual <sup>(1) (2)</sup>	7,856	4,093	2,733	14,682	
Revenues	\$ 546	\$ 294	\$ 223	\$ 1,063	
Adjusted EBITDA <sup>(3)</sup>	407	243	160	810	
Funds from operations <sup>(3)</sup>	\$ 236	\$ 193	\$ 120	\$ 549	

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

(2) For assets acquired or reaching commercial operation during the year, this figure is calculated from the acquisition or commercial operation date.

(3) Non-IFRS measures. See "Cautionary Statement Regarding Use of Non-IFRS Measures" and "Reconciliation of Non-IFRS Measures".

## Results of Wind Operations for the Nine Months Ended September 30

(MILLIONS, EXCEPT AS NOTED)		2014				
	United States		Canada		Europe	Total
Generation (GWh) – LTA <sup>(1) (2)</sup>	1,120		854		591	2,565
Generation (GWh) – actual <sup>(1) (2)</sup>	940		731		592	2,263
Revenues	\$ 106	\$ 87	\$ 18	\$ 211		
Adjusted EBITDA <sup>(3)</sup>	74		75		11	160
Funds from operations <sup>(3)</sup>	\$ 16	\$ 46	\$ 13	\$ 75		

(MILLIONS, EXCEPT AS NOTED)		2013				
	United States		Canada		Europe	Total
Generation (GWh) – LTA <sup>(1) (2)</sup>	1,067		854		N/A	1,921
Generation (GWh) – actual <sup>(1) (2)</sup>	970		747		N/A	1,717
Revenues	\$ 107	\$ 93	\$ N/A	\$ 200		
Adjusted EBITDA <sup>(3)</sup>	77		78		N/A	155
Funds from operations <sup>(3)</sup>	\$ 22	\$ 44	\$ N/A	\$ 66		

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

(2) For assets acquired or reaching commercial operation during the year, this figure is calculated from the acquisition or commercial operation date.

(3) Non-IFRS measures. See "Cautionary Statement Regarding Use of Non-IFRS Measures" and "Reconciliation of Non-IFRS Measures".

## Contract Profile by Region

FOR THE YEAR ENDED DECEMBER 31	Balance of 2014	2015	2016	2017	2018
Generation (GWh)					
Contracted					
United States	2,287	8,439	8,310	8,310	8,310
Canada	1,563	6,382	6,382	6,382	6,382
Brazil	962	2,891	2,674	1,936	1,704
Europe	310	1,129	1,146	1,094	1,041
	5,122	18,841	18,512	17,722	17,437
Uncontracted	938	5,252	5,580	6,360	6,645
Total long-term average	6,060	24,093	24,092	24,082	24,082

## Annualized Long-term Average Generation of our Operating Portfolio as at September 30, 2014

GENERATION (GWh) <sup>(1)(2)</sup>	Q1	Q2	Q3	Q4	Total
Hydroelectric generation					
United States <sup>(3)</sup>	3,193	3,276	2,199	2,796	11,464
Canada <sup>(3)</sup>	1,241	1,492	1,233	1,218	5,184
Brazil <sup>(4)</sup>	929	898	887	900	3,614
	5,363	5,666	4,319	4,914	20,262
Wind energy					
United States	311	468	341	274	1,394
Canada	324	292	238	343	1,197
Europe	251	180	160	230	821
	886	940	739	847	3,412
Other	219	79	46	5	349
<b>Total</b>	<b>6,468</b>	<b>6,685</b>	<b>5,104</b>	<b>5,766</b>	<b>24,023</b>

(1) Includes 100% of capacity and long-term average generation from equity-accounted investments.

(2) Long-term average ("LTA") is calculated on an annualized basis from 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.

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