

Brookfield Renewable

Partners L.P.

Q3 2019 INTERIM REPORT

OUR OPERATIONS

We invest in renewable assets directly, as well as with institutional partners, joint venture partners and through other arrangements. Our portfolio of assets has approximately 18,000 megawatts ("MW") of capacity and annualized long-term average ("LTA") generation of approximately 55,000 gigawatt hours ("GWh"), in addition to a development pipeline of approximately 8,000 MW, making us one of the largest pure-play public renewable companies in the world. We leverage our extensive operating experience to maintain and enhance the value of assets, grow cash flows on an annual basis and cultivate positive relations with local stakeholders. The table below outlines our portfolio as at September 30, 2019:

	River Systems	Facilities	Capacity (MW)	LTA ⁽¹⁾ (GWh)	Storage Capacity (GWh)
Hydroelectric					
North America					
United States	30	136	2,885	11,982	2,523
Canada	19	33	1,361	5,177	1,261
	49	169	4,246	17,159	3,784
Colombia	6	6	2,732	14,485	3,703
Brazil	27	44	946	4,924	—
	82	219	7,924	36,568	7,487
Wind					
North America					
United States	—	26	1,888	6,898	—
Canada	—	4	482	1,437	—
	—	30	2,370	8,335	—
Europe ⁽²⁾	—	50	1,247	2,868	—
Brazil	—	19	552	1,901	—
Asia	—	9	660	1,633	—
	—	108	4,829	14,737	—
Solar					
Utility ⁽³⁾					
	—	57	1,285	2,596	—
Distributed generation					
	—	4,850	716	1,054	—
	—	4,907	2,001	3,650	—
Storage⁽⁴⁾					
	2	4	2,698	—	5,220
Other⁽⁵⁾					
	—	15	590	—	—
	84	5,253	18,042	54,955	12,707

⁽¹⁾ LTA is calculated based on our portfolio as at September 30, 2019, reflecting all facilities on a consolidated and an annualized basis from the beginning of the year, regardless of the acquisition, disposition or commercial operation date. See "Part 8 - Presentation to Stakeholders and Performance Measurement" for an explanation on our methodology in computing LTA and why we do not consider LTA for our Storage and Other facilities.

⁽²⁾ Includes six wind facilities (191 MW) in Europe that have been presented as Assets held for sale.

⁽³⁾ Includes seven solar facilities (91 MW) in South Africa, Thailand, and Malaysia that have been presented as Assets held for sale.

⁽⁴⁾ Includes pumped storage in North America (600 MW) and Europe (2,088 MW) and battery storage in North America (10 MW).

⁽⁵⁾ Includes four biomass facilities in Brazil (175 MW), one cogeneration plant in Colombia (300 MW), and one cogeneration plant (105 MW) and nine fuel cell facilities in North America (10 MW).

The following table presents the annualized long-term average generation of our portfolio as at September 30, 2019 on a **consolidated** and quarterly basis:

GENERATION (GWh) ⁽¹⁾	Q1	Q2	Q3	Q4	Total
Hydroelectric					
North America					
United States	3,404	3,474	2,178	2,926	11,982
Canada	1,228	1,508	1,223	1,218	5,177
	4,632	4,982	3,401	4,144	17,159
Colombia	3,316	3,612	3,535	4,022	14,485
Brazil	1,215	1,228	1,241	1,240	4,924
	9,163	9,822	8,177	9,406	36,568
Wind					
North America					
United States	1,906	1,833	1,352	1,807	6,898
Canada	400	345	273	419	1,437
	2,306	2,178	1,625	2,226	8,335
Europe ⁽²⁾	877	647	573	771	2,868
Brazil	361	423	627	490	1,901
Asia	345	422	509	357	1,633
	3,889	3,670	3,334	3,844	14,737
Solar					
Utility ⁽³⁾	520	800	803	473	2,596
Distributed generation	210	336	322	186	1,054
	730	1,136	1,125	659	3,650
Total	13,782	14,628	12,636	13,909	54,955

⁽¹⁾ LTA is calculated on a consolidated and an annualized basis from the beginning of the year, regardless of the acquisition or commercial operation date. See "Part 8 - Presentation to Stakeholders and Performance Measurement" for an explanation on our methodology in computing LTA and why we do not consider LTA for our Storage and Other facilities.

⁽²⁾ Includes six wind facilities (191 MW) in Europe that have been presented as Assets held for sale.

⁽³⁾ Includes seven solar facilities (91 MW) in South Africa, Thailand, and Malaysia that have been presented as Assets held for sale.

The following table presents the annualized long-term average generation of our portfolio as at September 30, 2019 on a **proportionate** and quarterly basis:

GENERATION (GWh) ⁽¹⁾	Q1	Q2	Q3	Q4	Total
Hydroelectric					
North America					
United States	2,223	2,364	1,469	1,953	8,009
Canada	1,007	1,219	974	959	4,159
	3,230	3,583	2,443	2,912	12,168
Colombia	798	869	853	969	3,489
Brazil	988	998	1,009	1,009	4,004
	5,016	5,450	4,305	4,890	19,661
Wind					
North America					
United States	624	642	465	584	2,315
Canada	347	308	248	366	1,269
	971	950	713	950	3,584
Europe ⁽²⁾	303	223	198	270	994
Brazil	119	141	215	172	647
Asia	100	122	147	104	473
	1,493	1,436	1,273	1,496	5,698
Solar					
Utility ⁽³⁾	152	236	238	137	763
Distributed generation	63	101	96	56	316
	215	337	334	193	1,079
Total	6,724	7,223	5,912	6,579	26,438

⁽¹⁾ LTA is calculated on a proportionate and an annualized basis from the beginning of the year, regardless of the acquisition or commercial operation date. See "Part 8 - Presentation to Stakeholders and Performance Measurement" for an explanation on the calculation and relevance of proportionate information, our methodology in computing LTA and why we do not consider LTA for our Storage and Other facilities.

⁽²⁾ Includes six wind facilities (191 MW) in Europe that have been presented as Assets held for sale.

⁽³⁾ Includes seven solar facilities (91 MW) in South Africa, Thailand, and Malaysia that have been presented as Assets held for sale.

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

This Interim Report contains forward-looking information within the meaning of U.S. and Canadian securities laws. We may make such statements in this Interim Report and in other filings with the U.S. Securities and Exchange Commission ("SEC") and with securities regulators in Canada - see "PART 9 - Cautionary Statements". We make use of non-IFRS measures in this Interim Report - see "PART 9 - Cautionary Statements". This Interim Report, our Form 20-F and additional information filed with the SEC and with securities regulators in Canada are available on our website at <https://bep.brookfield.com>, on the SEC's website at www.sec.gov or on SEDAR's website at www.sedar.com.

Letter to Unitholders

Our business continued to perform well in the third quarter as we advanced our key strategic priorities. Our priorities remain focused on deploying capital for value, improving our operations, and maintaining high levels of liquidity and a strong balance sheet. Our objective, as always, is to deliver total returns on a per-unit basis of 12% to 15% over the long-term.

Of note, this quarter we:

- Generated FFO of \$133 million, a 27% increase over the prior year;
- Invested \$100 million of BEP equity into TerraForm Power and the acquisition of a 200 megawatt wind farm in China;
- Sold two mature European wind portfolios for total combined proceeds of US\$186 million (\$74 million net to BEP), and crystallized an ~18% compounded annual return to BEP since acquisition; we have also now completed the sale of five of our six assets in South Africa for total proceeds of \$135 million (\$42 million net to BEP) returning almost two times our capital invested into the country;
- Completed a C\$600 million green bond issuance - the largest corporate-level green bond ever issued in Canada - increasing the average term of our corporate debt to 10 years and reducing the average cost of our debt; and
- Maintain robust total available liquidity of \$2.5 billion

Unit Split and Creation of an Exchange Corporation

We remain focused on continuing to broaden our investor base, facilitating increased demand, and enhancing trading liquidity for Brookfield Renewable. As our business continues to grow and globalize, we are seeing increased demand from prospective investors. As such, we are pleased to announce that we are creating a structure that will allow our investors additional optionality to invest in Brookfield Renewable through either the current Partnership (BEP LP) or through a newly-created, publicly-listed Canadian corporation (BEPC), both of which will provide investors access to the same globally diversified renewable power portfolio with a strong track record of growth. BEPC will be created via an effective stock split, and the class A shares should be economically equivalent to the existing LP units as it will pay identical dividends and distributions, and the BEPC class A shares will be exchangeable into the LP units at any time at the option of the holder. We believe this initiative should support the expansion of our investor base by attracting new investors that are currently unable or unwilling to invest in our LP structure due to tax reporting or other attributes, and will allow us to be eligible for certain indices or ETFs that the BEP LP units are not.

Update on Growth Initiatives

Subsequent to the quarter-end we invested an incremental \$50 million into TerraForm Power as an investor in its recent \$300 million equity issuance. Following this issuance, BEP's proportionate interest in TerraForm Power is largely unchanged at approximately 30%. TerraForm Power recently closed its acquisition of a 322 megawatt distributed generation portfolio in the U.S., making it one of the largest owner and operators of distributed generation in the U.S. This capital, combined with its recent equity and debt financings, enables TerraForm Power to be well positioned for future growth with \$1.2 billion of available liquidity.

During the quarter we, along with our institutional partners, acquired a 200 megawatt recently constructed, fully contracted wind farm in China for \$100 million (\$45 million net to BEP). We also continued to advance our distributed generation joint venture in the country, commissioning 8 megawatts of rooftop solar during

the quarter and advancing an additional 12 megawatts that we expect to be on-line by the end of the year. We continue to remain disciplined on growth in China by looking for high value, low-risk investment opportunities.

We also advanced the build-out of development projects globally. We remain on-track to close our acquisition, with our institutional partners, of a 50% interest in X-Elio, a premier global solar developer, in the fourth quarter which will significantly enhance our solar development capabilities. We also progressed construction of 151 megawatts of capacity, 960 megawatts of advanced-stage projects globally, including 60 megawatts of wind repowering projects in the United States.

Operations

During the third quarter, we generated FFO of \$133 million, up from \$105 million during the same period the prior year.

In the third quarter, our hydroelectric segment generated FFO of \$125 million, up 20% relative to the same quarter the prior year. While generation for the quarter was below the long-term average level, driven largely by drier conditions in the U.S. Northeast and Canada, generation so far this year has exceeded the long-term average by 5%. As we have stated for many years, we do not manage the business based on under- or over-performance of generation relative to the long-term average and do not factor this into our planning. Instead, we remain focused on diversifying the business from both a geographic and technology perspective, which mitigates exposure to resource volatility, and regional or market disruptions. Additionally, we continue to advance initiatives to extract additional value from our hydroelectric portfolio. For example, earlier this year we qualified our 820 megawatt Sogamoso hydro facility in Colombia, which has 12 months of reservoir capacity, to provide grid-stabilizing ancillary services which is expected to add an incremental \$3 million to our FFO on an annualized basis.

Our wind and solar segments generated a combined \$72 million of FFO, up 20% relative to the same period the prior year. We benefitted from contributions from our operating and growth initiatives, including 210 megawatts of wind acquired in India, 51 megawatts of wind capacity commissioned and acquired last year in Ireland, and significant cost savings realized from the implementation of TerraForm Power's new long-term service agreement for its North American wind fleet.

Our storage and other segments generated \$6 million of FFO during the quarter as our portfolio continues to provide critical grid-stabilizing ancillary services and back-up capacity to increasingly intermittent grids. For example, in mid-August the U.K. experienced a major electricity disconnection event that resulted in a blackout affecting more than 1.1 million customers. Between 60 seconds to 4 minutes after the disconnection event, our First Hydro portfolio, which represents 75% of the U.K.'s storage capacity and has very fast ramp-up capabilities, provided more than half of the power used to restart the grid. We were the critical link to restarting the electricity grid in the U.K. on that day. We continue to work with all stakeholders to highlight the strategic importance of First Hydro in the U.K. and Bear Swamp in the U.S., and how the scale and speed of their response capabilities can be instrumental in managing the grid.

Balance Sheet and Liquidity

Our liquidity position remains robust, with \$2.5 billion of total available liquidity. During the quarter, we continued to take advantage of the low interest environment to execute on \$2.3 billion of financings and approximately \$210 million of capital recycling initiatives, raising a total \$320 million of incremental liquidity to BEP.

During the quarter, we issued a C\$600 million, investment grade, corporate green bond offering, through which we completed the early refinancing our 2020 corporate maturity (C\$450 million). This issuance represents the largest corporate green bond ever issued in Canada and our fifth green bond issuance to date for total outstanding green bonds of approximately \$1.8 billion. This bond was issued in two tranches - 10 years and 30 years - which nearly doubled the average term of our corporate debt to over 10 years. We

also reduced the average cost of our debt and completed a \$100 million up-financing with no impact on interest expense.

We also advanced our capital recycling program, and subsequent to quarter-end, closed the sales of two mature European wind portfolios as private investors continue to view high-quality, contracted renewable power assets as a proxy to government bonds, but with a higher yield. The first sale was of our 68 megawatt wind portfolio in Northern Ireland which we developed between 2016 and 2018. The second sale was of our 123 megawatt wind portfolio in Portugal which we acquired in 2015 and subsequently de-risked by enhancing the capital structure and renegotiating the O&M contracts on better terms. Together, these sales generated proceeds of \$186 million (\$74 million net to BEP) and crystallized an 18% compounded annual return to BEP since acquisition.

Outlook

Looking ahead, we continue to focus on executing our key priorities including maintaining a robust balance sheet and access to diverse sources of capital, enhancing cash flows from our existing business and assessing acquisition opportunities. In September we held our annual Investor Day where we reiterated the key drivers of our business including the continued growth of the renewables investible universe, the application of our value-enhancing “toolkit” to de-risk acquisitions while maintaining strong returns, and the value of our stable financial profile in executing our growth strategy. We would like to thank those of you who were able to attend this event.

As always, we remain focused on delivering to our unitholders long-term total returns of 12% to 15% on a per unit basis. We thank you for your continued support and we look forward to updating you on our progress in that regard.

Sincerely,



Sachin Shah
Chief Executive Officer
November 11, 2019

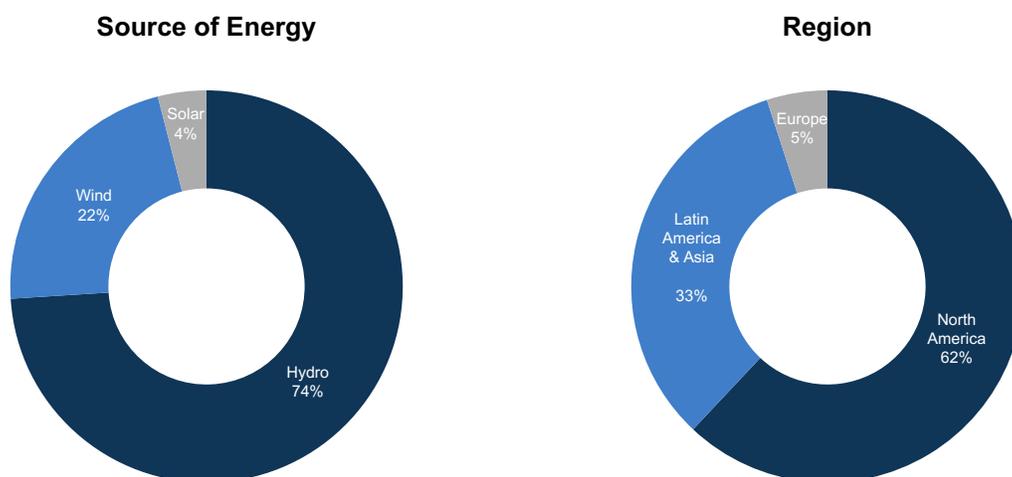
OUR COMPETITIVE STRENGTHS

Brookfield Renewable Partners L.P. ("Brookfield Renewable") is a globally diversified, multi-technology, owner and operator of renewable power assets.

Our business model is to utilize our global reach to acquire and develop high quality renewable power assets below intrinsic value, finance them on a long-term, low-risk and investment grade basis through a conservative financing strategy and then optimize cash flows by applying our operating expertise to enhance value.

One of the largest, public pure play renewable businesses globally. Brookfield Renewable has a 20-year track record as a publicly-traded operator and investor in the renewable power sector. Today we have a large, multi-technology and globally diversified portfolio of pure-play renewable assets that are supported by over 2,500 experienced operators. Brookfield Renewable invests in renewable assets directly, as well as with institutional partners, joint venture partners and in other arrangements. Our portfolio consists of approximately 18,000 MW of installed capacity largely across four continents, a development pipeline of approximately 8,000 MW, and annualized long-term average generation on a proportionate basis of approximately 26,400 GWh.

The following charts illustrate annualized long-term average generation on a proportionate basis:



Diverse and high-quality assets with hydroelectric focus. Brookfield Renewable has a complementary portfolio of hydroelectric, wind, solar and storage facilities. Our portfolio includes utility-scale facilities, back-up storage power, and distributed power generation. Hydroelectric power comprises the significant majority of our portfolio and is the highest value renewable asset class as one of the longest life, lowest-cost and most environmentally-preferred forms of power generation. Hydroelectric plants have high cash margins, storage capacity with the capability to produce power at all hours of the day, and the ability to sell multiple products in the market including energy, capacity and ancillaries. Our wind and solar facilities provide exposure to two of the fastest growing renewable power sectors, with high cash margins, zero fuel input cost, and diverse and scalable applications including distributed generation. Our storage facilities provide the markets in which they are located with critical services to the grid and dispatchable generation. With our scale, diversity and the quality of our assets, we are competitively positioned relative to other power generators, providing significant scarcity value to our investors.

Stable, diversified and high-quality cash flows with attractive long-term value for LP Unitholders. We intend to maintain a highly stable, predictable cash flow profile sourced from a diversified portfolio of low operating cost, long-life hydroelectric, wind and solar assets that sell electricity under long-term, fixed price contracts with creditworthy counterparties. Approximately 90% of our 2019 proportionate generation output is contracted to public power authorities, load-serving utilities, industrial users or to affiliates of Brookfield Asset Management. Our power purchase agreements have a weighted-average remaining duration of 13 years, on a proportionate basis, providing long-term cash flow visibility.

Strong financial profile and conservative financing strategy. Brookfield Renewable maintains a robust balance sheet, strong investment grade rating, and access to global capital markets to ensure cash flow resiliency through the cycle. Our approach to financing 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 with no financial maintenance covenants. Approximately 95% of our debt is either investment grade rated or sized to investment grade. Our corporate debt to total capitalization is 17%, and 76% of our proportionate borrowings are non-recourse. Corporate borrowings and proportionate non-recourse borrowings each have weighted-average terms of approximately nine years and ten years, respectively, with no material maturities over the next four years. Approximately 85% of our financings are fixed rate, and only 5% of our debt in North America and Europe, on a proportionate basis, is exposed to changes in interest rates. Our available liquidity as at September 30, 2019 is approximately \$2.5 billion of cash and cash equivalents, investments in marketable securities and the available portion of credit facilities, after assuming the repayment of Series 7 medium term notes that occurred post quarter-end.

Best-in class operating expertise. Brookfield Renewable has over 2,500 experienced operators and over 140 power marketing experts that are located across the globe to help optimize the performance and maximize the returns of all our assets. Our expertise in operating and managing power generation facilities span over 100 years and include full operating, development and power marketing capabilities.

Well positioned for cash flow growth. We are focused on driving cash flow growth from existing operations, fully funded by internally generated cash flow, including inflation escalations in our contracts, margin expansion through revenue growth and cost reduction initiatives, and building out our approximately 8,000 MW proprietary development pipeline at premium returns. While we do not rely on acquisitions to achieve our growth targets, our business has upside from mergers and acquisitions on an opportunistic basis. We employ a contrarian strategy, and our global scale and multi-technology capabilities allow us to rotate capital where it is scarce in order to earn strong risk-adjusted returns. We take a disciplined approach to allocating capital into development and acquisitions with a focus on downside protection and preservation of capital. Since 2013, we have deployed over \$3.5 billion in equity as we have invested in, acquired, or commissioned 50 hydroelectric facilities totaling approximately 4,200 MW, 107 wind facilities totaling approximately 4,300 MW, 833 solar facilities totaling approximately 2,100 MW, four biomass facilities totaling 175 MW, two hydroelectric pumped storage facilities and nine battery storage asset totaling 2,100 MW and one 300 MW cogeneration plant. Our ability to develop and acquire assets is strengthened by our established operating and project development teams across the globe, strategic relationship with Brookfield Asset Management, and our liquidity and capitalization profile. We have, in the past, and may continue in the future to pursue the acquisition or development of assets through arrangements with institutional investors in Brookfield Asset Management sponsored or co-sponsored partnerships.

Attractive distribution profile. We pursue a strategy which we expect will provide for highly stable, predictable cash flows ensuring a sustainable distribution yield. We target a long-term distribution growth rate in the range of 5% to 9% annually.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2019

This Management's Discussion and Analysis for the three and nine months ended September 30, 2019 is provided as of November 11, 2019. Unless the context indicates or requires otherwise, the terms "Brookfield Renewable", "we", "us", and "our" mean Brookfield Renewable Partners L.P. and its controlled entities. The ultimate parent of Brookfield Renewable is Brookfield Asset Management Inc. ("Brookfield Asset Management"). Brookfield Asset Management and its subsidiaries, other than Brookfield Renewable, are also individually and collectively referred to as "Brookfield" in this Management's Discussion and Analysis.

Brookfield Renewable's consolidated equity interests include the non-voting publicly traded limited partnership units ("LP Units") held by public unitholders and Brookfield, redeemable/exchangeable partnership units held by Brookfield ("Redeemable/Exchangeable partnership units") in Brookfield Renewable Energy L.P. ("BRELP"), a holding subsidiary of Brookfield Renewable, and general partnership interest ("GP interest") in BRELP held by Brookfield. Holders of the GP interest, Redeemable/Exchangeable partnership units, and LP Units will be collectively referred to throughout as "Unitholders", "Units", or as "per Unit", unless the context indicates or requires otherwise. The LP Units and Redeemable/Exchangeable partnership units have the same economic attributes in all respects. See – "Part 8 - Presentation to Stakeholders and Performance Measurement".

Brookfield Renewable's 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 year's presentation.

References to \$, C\$, €, R\$, £, COP and ZAR are to United States ("U.S.") dollars, Canadian dollars, Euros, Brazilian reais, British pounds sterling, Colombian pesos and South African Rand, respectively. Unless otherwise indicated, all dollar amounts are expressed in U.S. dollars.

For a description on our operational and segmented information and for the non-IFRS financial measures we use to explain our financial results see "Part 8 - Presentation to Stakeholders and Performance Measurement". For a reconciliation of the non-IFRS financial measures to the most comparable IFRS financial measures, see "Part 4 - Financial Performance Review on Proportionate Information – Reconciliation of non-IFRS measures". This Management's Discussion and Analysis contains forward looking information within the meaning of U.S. and Canadian securities laws. Refer to – "Part 9 - Cautionary Statements" for cautionary statements regarding forward-looking statements and the use of non-IFRS measures. Our Annual Report and additional information filed with the Securities Exchange Commission ("SEC") and with securities regulators in Canada are available on our website (<https://bep.brookfield.com>), on the SEC's website (www.sec.gov/edgar.shtml), or on SEDAR (www.sedar.com).

Organization of the Management's Discussion and Analysis

Part 1 - Q3 2019 Highlights	7	Part 5 - Liquidity and Capital Resources	23
		Capitalization and available liquidity	23
Part 2 - Financial Performance Review on Consolidated Information	9	Borrowings	24
		Consolidated statements of cash flows	25
		Shares and units outstanding	27
Part 3 - Additional Consolidated Financial Information	11	Dividends and distributions	27
Summary consolidated statements of financial position	11	Contractual obligations	27
Related party transactions	12	Off-statement of financial position arrangements	28
Equity	13		
		Part 6 - Selected Quarterly Information	29
Part 4 - Financial Performance Review on Proportionate Information	14	Summary of historical quarterly results	29
Proportionate results for the three months ended September 30	15	Proportionate results for the nine months ended September 30	30
Reconciliation of non-IFRS measures	19	Reconciliation of non-IFRS measures	31
Contract profile	22		
		Part 7 - Critical Estimates, Accounting Policies and Internal Controls	34
		Part 8 - Presentation to Stakeholders and Performance Measurement	36
		Part 9 - Cautionary Statements	40

PART 1 - Q3 2019 HIGHLIGHTS

(MILLIONS, EXCEPT AS NOTED)	Three months ended September 30		Nine months ended September 30	
	2019	2018	2019	2018
Operational information				
Capacity (MW).....	18,042	17,392	18,042	17,392
Total generation (GWh)				
Long-term average generation	12,332	12,113	40,077	38,486
Actual generation.....	11,089	11,609	40,095	37,611
Proportionate generation (GWh)				
Long-term average generation	5,821	5,956	19,628	19,242
Actual generation.....	5,213	5,552	20,061	18,701
Average revenue (\$ per MWh).....	82	79	77	76
Selected financial information⁽¹⁾				
Net income (loss) attributable to Unitholders	\$ (53)	\$ (55)	\$ 7	\$ (49)
Basic income (loss) per LP Unit.....	(0.17)	(0.18)	0.02	(0.16)
Consolidated Adjusted EBITDA ⁽²⁾	507	494	1,789	1,619
Proportionate Adjusted EBITDA ⁽²⁾	301	277	1,096	952
Funds From Operations ⁽²⁾	133	105	590	470
Funds From Operations per Unit ⁽¹⁾⁽²⁾	0.43	0.33	1.90	1.50
Distribution per LP Unit.....	0.52	0.49	1.55	1.47

⁽¹⁾ For the three and nine months ended September 30, 2019, weighted average LP Units, Redeemable/Exchangeable partnership units and GP interest totaled 311.2 million and 311.2 million, respectively (2018: 312.6 million and 312.7 million).

⁽²⁾ Non-IFRS measures. For reconciliations to the most directly comparable IFRS measure, See “Part 4 - Financial Performance Review on Proportionate Information - Reconciliation of non-IFRS measures” and “Part 9 - Cautionary Statements”.

(MILLIONS, EXCEPT AS NOTED)	September 30, 2019	December 31, 2018
Liquidity and Capital Resources		
Available liquidity ⁽¹⁾	\$ 2,470	\$ 1,974
Debt to capitalization - Corporate	17%	15%
Debt to capitalization - Consolidated	34%	32%
Borrowings non-recourse to Brookfield Renewable on a proportionate basis.....	76%	75%
Floating rate debt exposure on a proportionate basis ⁽²⁾⁽³⁾	5%	7%
Medium term notes ⁽¹⁾		
Average debt term to maturity	10 years	7 years
Average interest rate	4.1%	4.4%
Subsidiary borrowings on a proportionate basis		
Average debt term to maturity ⁽³⁾	10 years	10 years
Average interest rate ⁽³⁾	5.2%	5.4%

⁽¹⁾ Available liquidity and Medium term notes are adjusted to reflect the repayment of Series 7 (C\$450) medium term notes of \$340 million that was completed on October 15, 2019.

⁽²⁾ Excludes 6% (2018: 7%) floating rate debt exposure of certain foreign regions outside of North America and Europe due to the high cost of hedging associated with those regions.

⁽³⁾ Includes non-recourse borrowings put in place subsequent to September 30, 2019. Average debt term to maturity is 9 years and average interest rate is 5.3% at September 30, 2019.

Operations

Funds From Operations increased to \$133 million and \$0.43 on a per unit basis, representing a 27% and 30% increase, respectively, from the prior year, driven by:

- Higher realized prices, primarily in Colombia and Canada on the back of our commercial and re-contracting initiatives
- Growth in our wind segment through the acquisition of a 210 MW wind portfolio in India and the commissioning of 51 MW of new wind capacity in Europe
- Realization of costing-saving initiatives across our business
- Partially offset by lower generation, primarily at our hydroelectric facilities in Canada (10% below long-term average and 5% lower than prior year generation on a same-store basis)

After deducting non-cash depreciation, net loss attributable to Unitholders for the three months ended September 30, 2019 was \$53 million or \$0.17 per LP Unit, compared to \$55 million or \$0.18 per LP Unit in the prior year.

Continued to focus on extending our contract profile as we completed the following:

- In Colombia, we contracted 2,287 GWh/year, including individual contracts with up to ten years in duration
- In Brazil, we entered into seven new contracts to deliver 139 GWh/year until 2026

Liquidity and Capital Resources

Further enhanced financial flexibility:

- Available liquidity of \$2.5 billion
- Capitalized on the low interest rate environment while maintaining a well-laddered debt maturity profile and secured diverse sources of capital to execute on \$2.3 billion of financings and \$210 million of capital recycling initiatives
 - Secured over \$1.1 billion from non-recourse financings during the quarter, reducing our weighted average cost of borrowing
 - Issued the largest corporate green bond in Canada - C\$300 million due in January 2030 and C\$300 million due in November 2049 - to complete the early refinancing of our 2020 corporate bond of C\$450 million, extending our corporate debt maturity to ten years
 - Completed the sale of a solar facility in South Africa for total proceeds of \$27 million (\$9 million net to Brookfield Renewable)
 - Subsequent to quarter-end, completed the sale of a wind portfolio in Northern Ireland and a wind portfolio in Portugal for total proceeds of \$186 million (\$74 million net to Brookfield Renewable)
 - Subsequent to quarter-end, TerraForm Power completed a \$250 million equity offering of its Class A common shares concurrent with a \$50 million private placement with Brookfield Renewable and issued \$700 million of senior notes to refinance upcoming maturities, reducing the cost and extending the term of its debt portfolio

Subsequent to quarter-end, we announced our intention to create a Canadian corporation (“BEPC”) with publicly-traded shares that we expect will be economically-equivalent to the limited partnership units of Brookfield Renewable.

Growth and Development

TerraForm Power completed the previously announced acquisition of a large-scale distributed generation business in the U.S. totaling 322 MW of recently constructed and fully contracted portfolio capacity, underpinned by a 17-year average remaining PPA term with credit-worthy offtakers.

Together with our institutional partners, we completed the acquisition of 200 MW of operating wind assets in China for total consideration of \$160 million.

Completed the commissioning of 8 MW of new rooftop solar capacity in China.

Continued to progress our development pipeline:

- Continued to advance the construction of 151 MW of hydroelectric, wind, pumped storage and rooftop solar development projects. These projects are expected to be commissioned between 2019 and 2021 and to generate annualized Funds From Operations net to Brookfield Renewable of \$11 million

PART 2 - FINANCIAL PERFORMANCE REVIEW ON CONSOLIDATED INFORMATION

The following table reflects key financial data for the three and nine months ended September 30:

(MILLIONS, EXCEPT AS NOTED)	Three months ended September 30		Nine months ended September 30	
	2019	2018	2019	2018
Revenues.....	\$ 642	\$ 674	\$ 2,254	\$ 2,202
Direct operating costs.....	(239)	(257)	(745)	(760)
Management service costs.....	(29)	(22)	(73)	(64)
Interest expense – borrowings.....	(164)	(176)	(515)	(534)
Share of earnings from equity-accounted investment.....	1	6	33	12
Foreign exchange and unrealized financial instrument loss.....	(10)	(10)	(40)	(35)
Depreciation.....	(200)	(192)	(600)	(611)
Income tax recovery (expense).....	13	5	(60)	(22)
Net income (loss) attributable to Unitholders.....	\$ (53)	\$ (55)	\$ 7	\$ (49)
	Average FX rates to USD			
C\$.....	1.32	1.31	1.33	1.29
€.....	0.90	0.86	0.89	0.84
R\$.....	3.97	3.96	3.89	3.60
£.....	0.81	0.77	0.79	0.74
COP.....	3,339	2,959	3,239	2,886

Variance Analysis For The Three Months Ended September 30, 2019

Revenues totaling \$642 million represents a decrease of \$32 million over the prior year. The benefit from growth in our portfolio, both through our recent investments and recently commissioned facilities, and the inflation indexation of our contracts, commercial contracting initiatives and higher market prices in Colombia were partially offset by the foreign exchange impact of a strengthening United States dollar versus the Colombian peso, resulting in a net \$1 million increase to revenues. Generation on a same-store basis decreased by 709 GWh or 6% compared to the prior year, primarily due to below average hydrology conditions in Canada which reduced revenues by \$19 million, and completed asset sales reduced revenues by \$14 million.

Direct operating costs totaling \$239 million represents a decrease of \$18 million over the prior year due to cost-saving initiatives across our business and the impact of the foreign exchange movements noted above.

Interest expense - borrowings totaling \$164 million represents a decrease of \$12 million over the prior year due to the benefit of recent refinancing activities that reduced our average cost of borrowing, as well as lower corporate borrowings and the favorable foreign exchange movements noted above.

Share of earnings from equity-accounted investments totaling \$1 million represents a decrease of \$5 million over the prior year as the higher revenues from our increased ownership in TerraForm Power was more than offset by unrealized hedging losses.

Management service costs totaling \$29 million represents an increase of \$7 million over prior year due to the growth of our business.

Net loss attributable to Unitholders totaling \$53 million represents a decrease of \$2 million as lower revenues were more than offset by operating cost savings and lower borrowing costs.

Variance Analysis For The Nine Months Ended September 30, 2019

Revenues totaling \$2,254 million represents an increase of \$52 million over the prior year. On a same-store basis, revenues increased \$153 million, primarily due to higher average realized prices which contributed \$88 million to revenues, attributable to the inflation indexation of our contracts, commercial contracting initiatives and higher market prices on our uncontracted volumes in Colombia. We benefited from a 7% increase in generation primarily due to above average hydrology conditions in North America during the first half of the year which increased revenues by \$65 million relative to the prior year. Recently acquired and commissioned facilities contributed 441 GWh and \$34 million to revenues which was partially offset by recently completed asset sales that reduced revenues by \$20 million. Foreign currency movements negatively impacted our revenues by \$115 million as a result of the strengthening of the United States dollar.

Direct operating costs totaling \$745 million represents a decrease of \$15 million over the prior year driven by cost-savings realized in the year across our business and the foreign exchange impact noted above. This was partially offset by the operating costs of our recently commissioned and acquired facilities and the timing of certain maintenance activities in North America, Brazil and Europe.

Interest expense - borrowings totaling \$515 million represents a decrease of \$19 million over the prior year due to the benefit of recent refinancing activities that reduced our average cost of borrowing, lower corporate borrowings and the foreign exchange movements noted above.

Share of earnings from equity-accounted investments totaling \$33 million represents an increase of \$21 million over the prior year driven by our increased ownership in TerraForm Power.

Management service costs totaling \$73 million represents an increase of \$9 million over the prior year due to the growth of our business.

Income tax expense of \$60 million represents an increase of \$38 million as a result of higher taxable income relative to the prior period, particularly in Colombia, due to the strong performance of the business.

Net income attributable to Unitholders totaling \$7 million represents an increase of \$56 million over the prior year primarily a result of the above noted increase in revenues.

PART 3 - ADDITIONAL CONSOLIDATED FINANCIAL INFORMATION

SUMMARY CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The following table provides a summary of the key line items on the unaudited interim consolidated statements of financial position:

(MILLIONS)	September 30, 2019	December 31, 2018
Assets held for sale	\$ 782	\$ 920
Current assets	1,942	1,961
Equity-accounted investments	1,536	1,569
Property, plant and equipment	28,350	29,025
Total assets	33,435	34,103
Liabilities directly associated with assets held for sale	385	533
Corporate borrowings	2,119	2,334
Non-recourse borrowings	8,506	8,390
Deferred income tax liabilities	4,096	4,140
Total liabilities and equity	\$ 33,435	\$ 34,103

Our balance sheet remains strong and reflects the stable nature of the business and our continued growth.

Assets held for sale

Assets held for sale totaled \$782 million as at September 30, 2019 compared to \$920 million as at December 31, 2018. The \$138 million decrease was attributable to the sale of almost all of our South African wind and solar portfolio, offset by the classification of six operating wind facilities (191 MW) in Europe as assets held for sale.

As at September 30, 2019, Brookfield Renewable has presented seven solar facilities (91 MW) in Asia and South Africa and six wind facilities (191 MW) in Europe as held for sale. The sale of six wind facilities in Europe was completed subsequent to the quarter-end.

Property, plant and equipment

Property, plant and equipment totaled \$28.4 billion as at September 30, 2019 compared to \$29.0 billion as at December 31, 2018. The \$675 million decrease was partially attributable to a \$345 million transfer to assets held for sale relating to the sale of six operating wind facilities in Europe that was completed subsequent to quarter-end and a \$543 million foreign exchange revaluation driven by the strengthening of the United States dollar. The decrease was also attributable to depreciation expense associated with property, plant and equipment of \$600 million for the period. The above decreases were partially offset by the acquisitions of 410 MW of operating wind capacity in Asia that increased property, plant and equipment by \$550 million and capitalized additions of \$118 million primarily attributable to the sustaining capital expenditures of our hydroelectric assets as well as our on-going construction projects in Brazil. Upon adoption of IFRS 16 on January 1, 2019, we recognized \$145 million of capitalized lease arrangements.

Corporate borrowings

Corporate borrowings totaled \$2.1 billion as at September 30, 2019 compared to \$2.3 billion as at December 31, 2018. The decrease is primarily due to net credit facility repayments of \$709 million. This was partially offset by the issuance of the largest corporate green bond in Canada - C\$300 million (\$227 million) Series 12 medium term notes and C\$300 million (\$227 million) Series 13 medium term notes. Subsequent to quarter-end, we repaid the Series 7 medium term notes, extending the average corporate term to maturity to 10 years and reducing the average interest rate to 4.1%.

RELATED PARTY TRANSACTIONS

Brookfield Renewable's related party transactions are in the normal course of business, and are recorded at the exchange amount. Brookfield Renewable's related party transactions are primarily with Brookfield Asset Management.

Brookfield Renewable sells electricity to Brookfield through long-term power purchase agreements, or provides fixed price guarantees to provide contracted cash flow and reduce Brookfield Renewable's exposure to electricity prices in deregulated power markets. Brookfield Renewable also benefited during the period from a wind levelization agreement with Brookfield which reduced the exposure to the fluctuation of wind generation at certain facilities and thus improves the stability of its cash flow. The wind levelization agreement expired in February 2019.

Brookfield Renewable and Brookfield completed a transaction to internalize all energy marketing capabilities in North America into Brookfield Renewable. Refer to Note 27 - Related Party Transactions in our 2018 annual audited consolidated financial statements for additional details of the energy marketing internalization.

In addition to these agreements, Brookfield Renewable and Brookfield have executed other agreements that are described in Note 27 - Related Party Transactions in our 2018 annual audited consolidated financial statements.

Brookfield Renewable has also entered into a number of voting agreements with Brookfield whereby Brookfield, as managing member of entities related to Brookfield Americas Infrastructure Fund, Brookfield Infrastructure Fund II, Brookfield Infrastructure Fund III and Brookfield Infrastructure Fund IV, in which Brookfield Renewable holds investments in power generating operations with institutional partners, agreed to provide to Brookfield Renewable the authority to direct the election of the Boards of Directors of such entities.

Brookfield Renewable has entered into agreements with Brookfield Americas Infrastructure Fund, Brookfield Infrastructure Fund II, Brookfield Infrastructure Fund III, Brookfield Infrastructure Fund IV and Brookfield Infrastructure Debt Fund ("Private Funds"), in which they provide Brookfield Renewable with access to short-term financing using the Private Funds' credit facilities.

Brookfield Asset Management has provided a \$400 million committed unsecured revolving credit facility maturing in December 2019 and the interest rate applicable on the draws is LIBOR plus up to 2%. During the year there were no draws on the committed unsecured revolving credit facility provided by Brookfield Asset Management. Brookfield Asset Management placed up to \$600 million on deposit with Brookfield Renewable in 2019 which have been paid back in full prior to September 30, 2019, including any interest that had been accrued. The interest expense on the deposit for the three and nine months ended September 30, 2019 totaled \$2 million and \$5 million, respectively (2018: \$2 million and \$7 million).

The following table reflects the related party agreements and transactions in the unaudited interim consolidated statements of income for the three and nine months ended September 30, 2019:

(MILLIONS)	Three months ended September 30		Nine months ended September 30	
	2019	2018	2019	2018
Revenues				
Power purchase and revenue agreements	\$ 101	\$ 101	\$ 469	\$ 375
Wind levelization agreement	—	2	1	6
	\$ 101	\$ 103	\$ 470	\$ 381
Direct operating costs				
Energy purchases	\$ (3)	\$ (3)	\$ (8)	\$ (8)
Energy marketing fee	(6)	(6)	(18)	(18)
Insurance services ⁽¹⁾	(6)	(6)	(20)	(19)
	\$ (15)	\$ (15)	\$ (46)	\$ (45)
Interest expense - borrowings	\$ (2)	\$ (2)	\$ (5)	\$ (7)
Management service costs	\$ (29)	\$ (22)	\$ (73)	\$ (64)

⁽¹⁾ Insurance services are paid to a subsidiary of Brookfield Asset Management that brokers external insurance providers on behalf of Brookfield Renewable. The fees paid to the subsidiary of Brookfield Asset Management for the three and nine months ended September 30, 2019 were less than \$1 million (2018: less than \$1 million).

EQUITY

General partnership interest in a holding subsidiary held by Brookfield

Brookfield, as the owner of the 1% GP interest in BRELP, is entitled to regular distributions plus an incentive distribution based on the amount by which quarterly LP Unit distributions exceed specified target levels. To the extent that LP Unit distributions exceed \$0.375 per LP Unit per quarter, the incentive is 15% of distributions above this threshold. To the extent that LP Unit distributions exceed \$0.4225 per LP Unit per quarter, the incentive distribution is equal to 25% of distributions above this threshold. Incentive distributions of \$12 million and \$37 million, respectively, were declared during the three and nine months ended September 30, 2019 (2018: \$10 million and \$30 million).

Preferred limited partners' equity

During the first quarter of 2019, Brookfield Renewable issued 7,000,000 Class A Preferred Limited Partnership Units, Series 15 (the "Series 15 Preferred Units") at a price of C\$25 per unit for gross proceeds of C\$175 million (\$131 million). The holders of the Series 15 Preferred Units are entitled to receive a cumulative quarterly fixed distribution yielding 5.75% for the initial period ending April 30, 2024. Thereafter, the distribution rate will be reset every five years at a rate equal to the greater of: (i) the five-year Government of Canada bond yield plus 3.94%, and (ii) 5.75%.

The holders of the Series 15 Preferred Units will have the right, at their option, to reclassify their Series 15 Preferred Units into Class A Preferred Limited Partnership Units, Series 16 (the "Series 16 Preferred Units"), subject to certain conditions, on April 30, 2024 and on April 30 every five years thereafter. The holders of the Series 16 Preferred Units will be entitled to receive floating rate cumulative preferential cash distributions equal to the three month Government of Canada Treasury Bill Rate plus 3.94%.

The preferred limited partners' equity units do not have a fixed maturity date and are not redeemable at the option of the holders. As at September 30, 2019, none of the preferred limited partners' equity units have been redeemed by Brookfield Renewable.

In July 2019, Brookfield Renewable announced that the Toronto Stock Exchange had accepted a notice of its intention to commence a normal course issuer bid in connection with the outstanding Class A Preferred Limited Partnership Units. Under this normal course issuer bid, Brookfield Renewable is permitted to repurchase up to 10% of the total public float for each respective series of its Class A Preference Units. Repurchases were authorized to commence on July 9, 2019 and will terminate on July 8, 2020, or earlier should Brookfield Renewable complete its repurchases prior to such date.

Limited partners' equity

Brookfield Asset Management owns, directly and indirectly 185,727,567 LP Units and Redeemable/Exchangeable partnership units, representing approximately 60% of Brookfield Renewable on a fully-exchanged basis and the remaining approximately 40% is held by public investors.

During the three and nine months ended September 30, 2019, Brookfield Renewable issued 38,997 LP Units and 144,245 LP Units, respectively (2018: 63,653 LP Units and 221,342 LP Units, respectively) under the distribution reinvestment plan at a total cost of \$2 million and \$5 million, respectively (2018: \$2 million and \$7 million).

In December 2018, Brookfield Renewable renewed its normal course issuer bid in connection with its LP Units. Under this normal course issuer bid Brookfield Renewable is permitted to repurchase up to 8.9 million LP Units, representing approximately 5% of the issued and outstanding LP Units, for capital management purposes. The bid will expire on December 30, 2019, or earlier should Brookfield Renewable complete its repurchases prior to such date. There were no LP units repurchased during the three months ended September 30, 2019 and 2018. During the nine months ended September 30, 2019, Brookfield Renewable repurchased and canceled 20,000 LP Units at a total cost of \$1 million (2018: 281,359 LP Units at a total cost of \$8 million).

PART 4 - FINANCIAL PERFORMANCE REVIEW ON PROPORTIONATE INFORMATION

SEGMENTED DISCLOSURES

Segmented information is prepared on the same basis that Brookfield Renewable's chief operating decision maker ("CODM") manages the business, evaluates financial results, and makes key operating decisions. See "Part 8 - Presentation to Stakeholders and Performance Measurement" for information on segments and an explanation on the calculation and relevance of proportionate information.

PROPORTIONATE RESULTS FOR THE THREE MONTHS ENDED SEPTEMBER 30

The following chart reflects the generation and summary financial figures on a **proportionate** basis for the three months ended September 30:

	(GWh)				(MILLIONS)							
	Actual Generation		LTA Generation		Revenues		Adjusted EBITDA		Funds From Operations		Net Income (Loss)	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Hydroelectric												
North America	2,277	2,526	2,443	2,654	\$ 161	\$ 166	\$ 95	\$ 99	\$ 55	\$ 53	\$ —	\$ (3)
Brazil	734	791	1,009	996	50	53	53	38	46	31	22	2
Colombia	721	742	853	859	56	54	34	29	24	20	19	11
	3,732	4,059	4,305	4,509	267	273	182	166	125	104	41	10
Wind												
North America	579	597	713	723	46	50	32	30	15	14	(26)	(27)
Europe	185	141	198	208	21	17	15	9	9	2	(7)	(9)
Brazil	201	211	215	215	11	15	9	13	7	11	(3)	5
Asia	93	48	97	41	8	4	7	3	5	2	1	1
	1,058	997	1,223	1,187	86	86	63	55	36	29	(35)	(30)
Solar	279	279	293	260	56	58	49	46	36	31	10	19
Storage & Other	144	217	—	—	21	25	9	14	6	11	(1)	5
Corporate	—	—	—	—	—	—	(2)	(4)	(70)	(70)	(68)	(59)
Total	5,213	5,552	5,821	5,956	\$ 430	\$ 442	\$ 301	\$ 277	\$ 133	\$ 105	\$ (53)	\$ (55)

HYDROELECTRIC OPERATIONS ON PROPORTIONATE BASIS

The following table presents our proportionate results for hydroelectric operations for the three months ended September 30:

(MILLIONS, EXCEPT AS NOTED)	<u>2019</u>	<u>2018</u>
Generation (GWh) - LTA	4,305	4,509
Generation (GWh) - actual	3,732	4,059
Revenue	\$ 267	\$ 273
Other income	19	2
Direct operating costs	(104)	(109)
Adjusted EBITDA	182	166
Interest expense	(52)	(58)
Current income taxes	(5)	(4)
Funds From Operations	\$ 125	\$ 104
Depreciation	(84)	(93)
Deferred taxes and other	—	(1)
Net income	<u>\$ 41</u>	<u>\$ 10</u>

The following table presents our proportionate results by geography for hydroelectric operations for the three months ended September 30:

(MILLIONS, EXCEPT AS NOTED)	Actual Generation (GWh)		Average revenue per MWh		Adjusted EBITDA		Funds From Operations		Net Income	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
North America										
United States	1,464	1,477	\$ 75	\$ 70	\$ 55	\$ 51	\$ 28	\$ 21	\$ (19)	\$ (14)
Canada	813	1,049	63	59	40	48	27	32	19	11
	2,277	2,526	71	66	95	99	55	53	—	(3)
Brazil	734	791	68	67	53	38	46	31	22	2
Colombia	721	742	78	73	34	29	24	20	19	11
Total	<u>3,732</u>	<u>4,059</u>	<u>\$ 72</u>	<u>\$ 67</u>	<u>\$ 182</u>	<u>\$ 166</u>	<u>\$ 125</u>	<u>\$ 104</u>	<u>\$ 41</u>	<u>\$ 10</u>

North America

Funds From Operations at our North American business were \$55 million versus \$53 million in the prior year. Higher average realized revenue per MWh due to inflation indexation of our contracts and generation mix more than offset generation on a same-store basis that was 4% lower than the prior year as a result of below average hydrology conditions at our Canadian facilities. Funds From Operations was also impacted by the partial sale of certain of our Canadian assets - \$5 million and 76 GWh.

Net income attributable to Unitholders increased \$3 million over the prior year primarily due to the above noted increase to Funds From Operations.

Brazil

Funds From Operations at our Brazilian business were \$46 million versus \$31 million in the prior year. In the current quarter, we benefited from a ruling reaffirming the historical generation of our facilities contributing \$14 million to Funds From Operations. Recently commissioned facilities contributed \$1 million and 9 GWh to Funds From Operations and generation, respectively. Funds From Operations on a same-store basis was consistent with the prior year.

Net income attributable to Unitholders increased \$20 million over the prior year primarily due to the above noted increase in Funds From Operations.

Colombia

Funds From Operations at our Colombian business were \$24 million versus \$20 million in the prior year as we benefited from our cost-reduction initiatives and an increase in average revenue per MWh as a result of higher ancillary revenues, inflation indexation, re-contracting initiatives and favorable market prices realized on our uncontracted volumes. This was partially offset by lower generation as we stored water in anticipation of higher pricing in the upcoming dry season.

Net income attributable to Unitholders increased by \$8 million over the prior year primarily due to the above noted increase in Funds From Operations.

WIND OPERATIONS ON PROPORTIONATE BASIS

The following table presents our proportionate results for wind operations for the three months ended September 30:

(MILLIONS, EXCEPT AS NOTED)	2019	2018
Generation (GWh) - LTA	1,223	1,187
Generation (GWh) - actual	1,058	997
Revenue	\$ 86	\$ 86
Other income	2	—
Direct operating costs	(25)	(31)
Adjusted EBITDA	63	55
Interest expense	(26)	(25)
Current income taxes	(1)	(1)
Funds From Operations	36	29
Depreciation	(54)	(50)
Deferred taxes and other	(17)	(9)
Net income (loss)	\$ (35)	\$ (30)

The following table presents our proportionate results by geography for wind operations for the three months ended September 30:

(MILLIONS, EXCEPT AS NOTED)	Actual Generation (GWh)		Average revenue per MWh		Adjusted EBITDA		Funds From Operations		Net Income (Loss)	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
North America										
United States	404	421	\$ 77	\$ 83	\$ 21	\$ 19	\$ 9	\$ 8	\$ (11)	\$ (13)
Canada	175	176	87	85	11	11	6	6	(15)	(14)
	579	597	80	84	32	30	15	14	(26)	(27)
Europe	185	141	111	121	15	9	9	2	(7)	(9)
Brazil	201	211	55	71	9	13	7	11	(3)	5
Asia	93	48	85	62	7	3	5	2	1	1
Total	1,058	997	\$ 81	\$ 85	\$ 63	\$ 55	\$ 36	\$ 29	\$ (35)	\$ (30)

North America

Funds From Operations at our North American business were \$15 million versus \$14 million in the prior year. Our portfolio benefited from operating cost savings initiatives at certain of our wind facilities in the United States, which was partially offset by lower generation relative to the prior year.

Net loss attributable to Unitholders was \$26 million versus \$27 million in the prior year primarily due to the above noted increase to Funds From Operations.

Europe

Funds From Operations at our European business were \$9 million versus \$2 million in the prior year. The growth of our portfolio following the commissioning of 51 MW of new wind capacity contributed \$1 million to Funds From Operations and 8 GWh of generation. On a same store basis, Funds From Operations were up \$6 million primarily due to stronger resource, inflation indexation of our contracts, higher market prices on our regulated assets and interest cost savings due to capital structure optimization.

Net loss attributable to Unitholders was \$7 million versus \$9 million in the prior year as the above noted increase in Funds From Operations was mostly offset by higher unrealized hedging losses.

Brazil

Funds From Operations at our Brazilian business were \$7 million versus \$11 million in the prior year as a result of below average generation and lower average realized prices due to a commercial initiative that benefited the prior year.

Net income attributable to Unitholders decreased by \$8 million from the prior year primarily due to the above noted decrease in Funds From Operations.

Asia

Funds From Operations at our Asian business were \$5 million versus \$2 million in the prior year, due to the contribution from growth following the acquisition of a 210 MW wind facility in India - \$3 million of Funds From Operations and 97 GWh of generation. On a same-store basis, our assets continue to perform in line with plan and consistent with prior year.

Net income attributable to Unitholders was \$1 million, consistent with prior year. The above noted increase in Funds From Operations was mostly offset by higher depreciation expense due to growth.

SOLAR OPERATIONS ON PROPORTIONATE BASIS

The following table presents our proportionate results for solar operations for the three months ended September 30:

(MILLIONS, EXCEPT AS NOTED)	2019	2018
Generation (GWh) - LTA	293	260
Generation (GWh) - actual	279	279
Revenue	\$ 56	\$ 58
Other income	3	1
Direct operating costs	(10)	(13)
Adjusted EBITDA	49	46
Interest expense	(13)	(15)
Current income taxes	—	—
Funds From Operations	\$ 36	\$ 31
Depreciation	(13)	(11)
Deferred taxes and other	(13)	(1)
Net income	\$ 10	\$ 19

Funds From Operations at our solar business were \$36 million versus \$31 million in the prior year as the business benefited from the growth of our portfolio. The business is operating in line with our expectations.

Net income attributable to Unitholders at our solar business was \$10 million versus \$19 million in the prior year as the above noted increase in Funds From Operations was more than offset by unrealized hedging losses.

STORAGE AND OTHER OPERATIONS ON PROPORTIONATE BASIS

The following table presents our proportionate results for storage and other operations for the three months ended September 30:

(MILLIONS, EXCEPT AS NOTED)	<u>2019</u>	<u>2018</u>
Generation (GWh) - actual	144	217
Revenue	\$ 21	\$ 25
Other income	—	—
Direct operating costs	<u>(12)</u>	<u>(11)</u>
Adjusted EBITDA	9	14
Interest expense	(3)	(3)
Other	—	—
Funds From Operations	\$ 6	\$ 11
Depreciation	(6)	(5)
Deferred taxes and other	(1)	(1)
Net income	<u>\$ (1)</u>	<u>\$ 5</u>

Funds From Operations at our storage & other businesses were \$6 million versus \$11 million in the prior year due to lower realized capacity prices in the northeast United States and lower generation at our biomass facilities in Brazil.

Net loss attributable to Unitholders was \$1 million versus Net income attributable to Unitholders of \$5 million in the prior year as a result of the above noted decrease in Funds From Operations.

CORPORATE

The following table presents our results for corporate for the three months ended September 30:

(MILLIONS, EXCEPT AS NOTED)	<u>2019</u>	<u>2018</u>
Other income	\$ 4	\$ 1
Direct operating costs	<u>(6)</u>	<u>(5)</u>
Adjusted EBITDA	(2)	(4)
Management service costs	(29)	(22)
Interest expense	(21)	(27)
Distributions on Preferred LP Units and Shares	<u>(18)</u>	<u>(17)</u>
Funds From Operations	\$ (70)	\$ (70)
Deferred taxes and other	2	12
Net loss	<u>\$ (68)</u>	<u>\$ (58)</u>

Management service costs totaling \$29 million increased \$7 million compared to the prior year due to the growth of our business.

Distributions attributable to Preferred LP Units and Shares increased \$1 million compared to the prior year due to the C\$175 million (\$131 million) Preferred LP Units issuance completed in the first quarter of 2019.

RECONCILIATION OF NON-IFRS MEASURES

The following table reflects Adjusted EBITDA, Funds From Operations and provides reconciliation to net income (loss) attributable to Unitholders for the three months ended September 30, 2019:

(MILLIONS)	Attributable to Unitholders											Contribution from equity-accounted investments	Attributable to non-controlling interests	As per IFRS financials ⁽¹⁾
	Hydroelectric			Wind				Solar	Storage and Other	Corporate	Total			
	North America	Brazil	Colombia	North America	Europe	Brazil	Asia							
Revenues	161	50	56	46	21	11	8	56	21	—	430	(97)	309	642
Other income	2	17	—	—	2	—	—	3	—	4	28	(5)	2	25
Direct operating costs	(68)	(14)	(22)	(14)	(8)	(2)	(1)	(10)	(12)	(6)	(157)	26	(108)	(239)
Share of Adjusted EBITDA from equity accounted investments	—	—	—	—	—	—	—	—	—	—	—	76	3	79
Adjusted EBITDA	95	53	34	32	15	9	7	49	9	(2)	301	—	206	
Management service costs	—	—	—	—	—	—	—	—	—	(29)	(29)	—	—	(29)
Interest expense - borrowings	(39)	(4)	(9)	(16)	(6)	(2)	(2)	(13)	(3)	(21)	(115)	28	(77)	(164)
Current income taxes	(1)	(3)	(1)	(1)	—	—	—	—	—	—	(6)	3	(7)	(10)
Distributions attributable to														
Preferred limited partners equity	—	—	—	—	—	—	—	—	—	(12)	(12)	—	—	(12)
Preferred equity	—	—	—	—	—	—	—	—	—	(6)	(6)	—	—	(6)
Share of interest and cash taxes from equity accounted investments	—	—	—	—	—	—	—	—	—	—	—	(31)	2	(29)
Share of Funds From Operations attributable to non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	—	(124)	(124)
Funds From Operations	55	46	24	15	9	7	5	36	6	(70)	133	—	—	
Depreciation	(57)	(22)	(5)	(38)	(11)	(4)	(1)	(13)	(6)	(1)	(158)	35	(77)	(200)
Foreign exchange and unrealized financial instruments gain (loss)	(3)	(2)	2	3	(10)	(2)	—	(4)	(1)	3	(14)	8	(4)	(10)
Deferred income tax recovery (expense)	25	1	(1)	(4)	2	—	—	(1)	—	4	26	1	(4)	23
Other	(20)	(1)	(1)	(2)	3	(4)	(3)	(8)	—	(4)	(40)	5	(3)	(38)
Share of earnings from equity accounted investments	—	—	—	—	—	—	—	—	—	—	—	(49)	—	(49)
Net loss attributable to non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	—	88	88
Net income (loss) attributable to Unitholders ⁽²⁾	—	22	19	(26)	(7)	(3)	1	10	(1)	(68)	(53)	—	—	(53)

⁽¹⁾ Share of earnings from equity-accounted investments of \$1 million is comprised of amounts found on the share of Adjusted EBITDA, share of interest and cash taxes and share of earnings lines. Net income attributable to participating non-controlling interests - in operating subsidiaries of \$36 million is comprised of amounts found on Share of Funds From Operations attributable to non-controlling interests and Net loss attributable to non-controlling interests.

⁽²⁾ Net income (loss) attributable to Unitholders includes net income (loss) attributable to GP interest, Redeemable/Exchangeable partnership units and LP Units. Total net income (loss) includes amounts attributable to Unitholders, non-controlling interests, preferred limited partners equity and preferred equity.

The following table reflects Adjusted EBITDA, Funds From Operations and provides reconciliation to net income (loss) for the three months attributable to Unitholders ended September 30, 2018:

(MILLIONS)	Attributable to Unitholders											Contribution from equity-accounted investments	Attributable to non-controlling interests	As per IFRS financials ⁽¹⁾
	Hydroelectric			Wind				Solar	Storage and Other	Corporate	Total			
	North America	Brazil	Colombia	North America	Europe	Brazil	Asia							
Revenues	166	53	54	50	17	15	4	58	25	—	442	(100)	332	674
Other income	1	1	—	—	—	—	—	1	—	1	4	(1)	4	7
Direct operating costs	(68)	(16)	(25)	(20)	(8)	(2)	(1)	(13)	(11)	(5)	(169)	31	(119)	(257)
Share of Adjusted EBITDA from equity accounted investments	—	—	—	—	—	—	—	—	—	—	—	70	—	70
Adjusted EBITDA	99	38	29	30	9	13	3	46	14	(4)	277	—	217	
Management service costs	—	—	—	—	—	—	—	—	—	(22)	(22)	—	—	(22)
Interest expense - borrowings	(44)	(5)	(9)	(16)	(6)	(2)	(1)	(15)	(3)	(27)	(128)	29	(77)	(176)
Current income taxes	(2)	(2)	—	—	(1)	—	—	—	—	—	(5)	2	(3)	(6)
Distributions attributable to														
Preferred limited partners equity	—	—	—	—	—	—	—	—	—	(10)	(10)	—	—	(10)
Preferred equity	—	—	—	—	—	—	—	—	—	(7)	(7)	—	—	(7)
Share of interest and cash taxes from equity accounted investments	—	—	—	—	—	—	—	—	—	—	—	(31)	—	(31)
Share of Funds From Operations attributable to non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	—	(137)	(137)
Funds From Operations	53	31	20	14	2	11	2	31	11	(70)	105	—	—	
Depreciation	(57)	(32)	(4)	(34)	(13)	(3)	—	(11)	(5)	(1)	(160)	32	(64)	(192)
Foreign exchange and unrealized financial instruments gain (loss)	(5)	1	—	—	1	(3)	(1)	—	—	1	(6)	—	(4)	(10)
Deferred income tax recovery (expense)	7	—	(1)	(4)	1	—	—	(1)	—	15	17	3	(9)	11
Other	(1)	2	(4)	(3)	—	—	—	—	(1)	(4)	(11)	(2)	(5)	(18)
Share of earnings from equity accounted investments	—	—	—	—	—	—	—	—	—	—	—	(33)	—	(33)
Net loss attributable to non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	—	82	82
Net income (loss) attributable to Unitholders ⁽²⁾	(3)	2	11	(27)	(9)	5	1	19	5	(59)	(55)	—	—	(55)

⁽¹⁾ Share of earnings from equity-accounted investments of \$6 million is comprised of amounts found on the share of Adjusted EBITDA, share of interest and cash taxes and share of earnings lines. Net income attributable to participating non-controlling interests - in operating subsidiaries of \$55 million is comprised of amounts found on Share of Funds From Operations attributable to non-controlling interests and Net loss attributable to non-controlling interests.

⁽²⁾ Net income (loss) attributable to Unitholders includes net income (loss) attributable to GP interest, Redeemable/Exchangeable partnership units and LP Units. Total net income (loss) includes amounts attributable to Unitholders, non-controlling interests, preferred limited partners equity and preferred equity.

The following table reconciles net income (loss) attributable to Limited partners' equity and earnings (loss) per LP Unit, the most directly comparable IFRS measures, to Funds From Operations and Funds From Operations per Unit, both non-IFRS financial metrics, for the three months ended September 30:

(MILLIONS, EXCEPT AS NOTED)	2019	2018	Per unit	
			2019	2018
Net income (loss) attributable to:				
Limited partners' equity	\$ (30)	\$ (32)	\$ (0.17)	\$ (0.18)
General partnership interest in a holding subsidiary held by Brookfield	(1)	(1)	—	—
Participating non-controlling interests - in a holding subsidiary - Redeemable/Exchangeable units held by Brookfield	(22)	(22)	—	—
Net (loss) income attributable to Unitholders	\$ (53)	\$ (55)	\$ (0.17)	\$ (0.18)
Adjusted for proportionate share of:				
Depreciation	158	160	0.51	0.51
Foreign exchange and unrealized financial instruments (gain) loss	14	6	0.04	0.02
Deferred income tax (recovery) expense	(26)	(17)	(0.08)	(0.05)
Other	40	11	0.13	0.03
Funds From Operations	\$ 133	\$ 105	\$ 0.43	\$ 0.33
Weighted average Units outstanding ⁽¹⁾			311.2	312.6

⁽¹⁾ Includes GP interest, Redeemable/Exchangeable partnership units, and LP Units.

CONTRACT PROFILE

We operate the business on a largely contracted basis to provide a high degree of predictability in Funds From Operations. We 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, the legislated requirements in some areas to diversify away from fossil fuel based generation and because they are becoming increasingly cost competitive.

In Brazil and Colombia, we also expect power prices will continue to be supported by the need to build new supply over the medium-to-long term to serve growing demand. In these markets, contracting for power is the only current mechanism to buy and sell power, and therefore we would expect to capture rising prices as we re-contract our power over the medium-term.

The following table sets out our contracts over the next five years for generation output in North America, Europe and certain other countries, assuming long-term average on a proportionate basis. The table excludes Brazil and Colombia, where we would expect the energy associated with maturing contracts to be re-contracted in the normal course given the construct of the respective power markets. In these countries we currently have a contracted profile of approximately 85% and 70%, respectively, of the long-term average and we would expect to maintain this going forward. Overall, our portfolio has a weighted-average remaining contract duration of 13 years on a proportionate basis.

(GWh, except as noted)	Balance of 2019	2020	2021	2022	2023
Hydroelectric					
North America					
United States ⁽¹⁾	1,739	7,486	5,444	4,446	4,446
Canada ⁽¹⁾	809	3,908	2,779	2,152	2,074
	<u>2,548</u>	<u>11,394</u>	<u>8,223</u>	<u>6,598</u>	<u>6,520</u>
Wind					
North America					
United States	535	2,054	1,978	2,027	2,028
Canada	366	1,270	1,269	1,269	1,269
	<u>901</u>	<u>3,324</u>	<u>3,247</u>	<u>3,296</u>	<u>3,297</u>
Europe	260	894	888	858	847
Asia ⁽²⁾	183	453	453	457	457
	<u>1,344</u>	<u>4,671</u>	<u>4,588</u>	<u>4,611</u>	<u>4,601</u>
Solar ⁽²⁾	195	1,054	1,053	1,052	1,051
Contracted on a proportionate basis	<u>4,087</u>	<u>17,119</u>	<u>13,864</u>	<u>12,261</u>	<u>12,172</u>
Uncontracted on a proportionate basis	502	1,431	4,681	6,285	6,376
	<u>4,589</u>	<u>18,550</u>	<u>18,545</u>	<u>18,546</u>	<u>18,548</u>
Contracted generation as a % of total generation on a proportionate basis	89%	92%	75%	66%	66%
Price per MWh - total generation on a proportionate basis	\$ 76	\$ 78	\$ 86	\$ 91	\$ 92

⁽¹⁾ Includes generation of 545 GWh for 2019, 3,171 GWh for 2020 and 866 GWh for 2021 secured under financial contracts.

Weighted-average remaining contract durations on a proportionate basis are 17 years in North America, 10 years in Brazil, 3 years in Colombia, 12 years in Europe and 13 years across our remaining jurisdictions.

In North America, over the next five years, a number of contracts will expire at our hydroelectric facilities. Based on current market prices for energy and ancillary products, we do not foresee a negative impact to cash flows from contracts expiring over the next five years.

In our Brazilian and Colombian portfolios, we continue to focus on securing long-term contracts while maintaining a certain percentage of uncontracted generation to mitigate hydrology risk.

The majority of Brookfield Renewable's long-term power purchase agreements within our North American and European businesses are with investment-grade rated or creditworthy counterparties. The economic exposure of our contracted generation on a proportionate basis is distributed as follows: power authorities (37%), distribution companies (23%), industrial users (22%) and Brookfield (18%).

PART 5 - LIQUIDITY AND CAPITAL RESOURCES

CAPITALIZATION

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. On a consolidated basis, almost 95% of our debt is either investment grade rated or sized to investment grade and approximately 80% of debt is non-recourse.

The following table summarizes our capitalization:

(MILLIONS, EXCEPT AS NOTED)	Corporate		Consolidated	
	September 30, 2019	December 31, 2018	September 30, 2019	December 31, 2018
Corporate credit facility ⁽¹⁾⁽²⁾	\$ 353	\$ 721	\$ 353	\$ 721
Debt				
Medium term notes ⁽²⁾⁽³⁾	1,775	1,613	1,775	1,613
Non-recourse borrowings ⁽⁴⁾	—	—	8,562	8,465
	<u>1,775</u>	<u>1,613</u>	<u>10,337</u>	<u>10,078</u>
Deferred income tax liabilities, net ⁽⁵⁾	—	—	3,982	4,049
Equity				
Non-controlling interest	—	—	7,841	8,129
Preferred equity	585	568	585	568
Preferred limited partners' equity	833	707	833	707
Unitholders equity	7,139	7,802	7,139	7,802
Total capitalization	<u>\$ 10,332</u>	<u>\$ 10,690</u>	<u>\$ 30,717</u>	<u>\$ 31,333</u>
Debt to total capitalization	17%	15%	34%	32%

- (1) Draws on corporate credit facilities are excluded from the debt to total capitalization ratios as they are not a permanent source of capital.
- (2) Corporate credit facility and Medium term notes as at September 30, 2019 are adjusted to reflect repayment of \$340 million Series 7 (C\$450 million) medium term notes that was completed on October 15, 2019.
- (3) Medium term notes are unsecured and guaranteed by Brookfield Renewable and excludes \$9 million (2018: \$6 million) of deferred financing fees.
- (4) Consolidated non-recourse borrowings include \$11 million (2018: \$6 million) borrowed under a subscription facility of a Brookfield sponsored private fund and excludes \$56 million (2018: \$75 million) of deferred financing fees, net of unamortized premiums.
- (5) Deferred income tax liabilities less deferred income assets.

AVAILABLE LIQUIDITY

The following table summarizes the available liquidity:

(MILLIONS, EXCEPT AS NOTED)	September 30, 2019	December 31, 2018
Brookfield Renewable's share of cash and cash equivalents	\$ 158	\$ 169
Investments in marketable securities	118	117
Corporate credit facilities		
Authorized credit facilities ⁽¹⁾	2,100	2,100
Draws on credit facilities ⁽²⁾	(353)	(721)
Authorized letter of credit facility	400	300
Issued letters of credit	(219)	(209)
Available portion of corporate credit facilities	<u>1,928</u>	<u>1,470</u>
Available portion of subsidiary credit facilities on a proportionate basis ⁽³⁾	266	218
Available group-wide liquidity	<u>\$ 2,470</u>	<u>\$ 1,974</u>

- (1) Amounts are guaranteed by Brookfield Renewable.
- (2) Draws on credit facilities include \$340 million to reflect the repayment of Series 7 medium term notes that was completed on October 15, 2019.
- (3) Includes \$60 million of proportionate subsidiary credit facility secured subsequent to September 30, 2019.

We operate with sufficient liquidity to enable us to fund growth initiatives, capital expenditures, distributions and withstand sudden adverse changes in economic circumstances or short-term fluctuations in generation. We maintain a strong, investment grade balance sheet characterized by a conservative capital structure, access to multiple funding levers including a focus on capital recycling on an opportunistic basis, and diverse sources of capital. Principal sources of liquidity are cash flows from operations, our credit facilities, up-financings on non-recourse borrowings and proceeds from the issuance of various securities through public markets.

BORROWINGS

The composition of debt obligations, overall maturity profile, and average interest rates associated with our borrowings and credit facilities on a proportionate basis is presented in the following table:

(MILLIONS EXCEPT AS NOTED)	September 30, 2019			December 31, 2018		
	Weighted-average		Total	Weighted-average		Total
	Interest rate (%)	Term (years)		Interest rate (%)	Term (years)	
Corporate borrowings						
Medium term notes ⁽²⁾	4.1%	10	\$ 1,775	4.4%	7	\$ 1,613
Credit facilities ⁽²⁾	3.6%	5	353	3.3%	4	721
Proportionate subsidiary borrowings ⁽¹⁾						
Hydroelectric	5.7%	9	3,513	5.8%	9	3,640
Wind	4.8%	10	1,798	4.7%	10	1,792
Solar	4.9%	9	1,151	5.2%	11	1,022
Storage and other	5.5%	5	231	5.4%	6	249
	5.3%	9	6,693	5.4%	10	6,703
			8,821			9,037
Proportionate deferred financing fees, net of unamortized premiums			(43)			(48)
			8,778			8,989
Equity-accounted borrowings			(2,131)			(1,972)
Non-controlling interests			3,978			3,701
As per IFRS Statements			\$ 10,625			\$ 10,718

⁽¹⁾ Excludes \$88 million of proportionate debt associated with our portfolios that are classified as held for sale as at September 30, 2019 (2018: \$60 million).

⁽²⁾ Medium term notes and corporate credit facility are adjusted to exclude Series 7 (C\$450) medium term notes of \$340 million that were repaid on October 15, 2019.

The following table summarizes our undiscounted principal repayments and scheduled amortization on a proportionate basis as at September 30, 2019:

(MILLIONS)	Balance of 2019	2020	2021	2022	2023	Thereafter	Total
Debt Principal repayments⁽¹⁾							
Medium term notes ⁽²⁾⁽³⁾	\$ —	\$ —	\$ —	\$ 302	\$ —	\$ 1,473	\$ 1,775
Non-recourse borrowings							
Credit facilities	—	—	9	14	107	—	130
Hydroelectric	21	359	—	205	427	1,742	2,754
Wind	—	—	—	96	101	286	483
Solar	—	142	—	53	112	221	528
Storage and other	—	—	56	—	—	155	211
	<u>21</u>	<u>501</u>	<u>65</u>	<u>368</u>	<u>747</u>	<u>2,404</u>	<u>4,106</u>
Amortizing debt principal repayments							
Non-recourse borrowings							
Hydroelectric	29	36	67	61	49	515	757
Wind	31	106	107	113	108	781	1,246
Solar	17	38	40	43	43	382	563
Storage and other	1	3	3	3	4	7	21
	<u>78</u>	<u>183</u>	<u>217</u>	<u>220</u>	<u>204</u>	<u>1,685</u>	<u>2,587</u>
Total	<u>\$ 99</u>	<u>\$ 684</u>	<u>\$ 282</u>	<u>\$ 890</u>	<u>\$ 951</u>	<u>\$ 5,562</u>	<u>\$ 8,468</u>

⁽¹⁾ Draws on corporate credit facilities are excluded from the debt repayment schedule as they are not a permanent source of capital.

⁽²⁾ Medium term notes are unsecured and guaranteed by Brookfield Renewable and excludes \$9 million (2018: \$6 million) of deferred financing fees.

⁽³⁾ Adjusted to reflect the repayment of Series 7 medium term notes of \$340 million that were repaid on October 15, 2019.

We remain focused on refinancing near-term facilities on acceptable terms and maintaining a manageable maturity ladder. We do not anticipate material issues in refinancing our borrowings through 2023 on acceptable terms and will do so opportunistically based on the prevailing interest rate environment.

CONSOLIDATED STATEMENTS OF CASH FLOWS

The following table summarizes the key items in the unaudited interim consolidated statements of cash flows:

(MILLIONS)	Three months ended September 30		Nine months ended September 30	
	2019	2018	2019	2018
Cash flow provided by (used in):				
Operating activities	\$ 266	\$ 236	\$ 1,005	\$ 817
Financing activities	(319)	(52)	(828)	(639)
Investing activities	(49)	(105)	(123)	(635)
Foreign exchange loss on cash	(9)	(6)	(8)	(14)
Increase (decrease) in cash and cash equivalents	<u>\$ (111)</u>	<u>\$ 73</u>	<u>\$ 46</u>	<u>\$ (471)</u>

Operating Activities

Cash flows provided by operating activities for the three and nine months ended June 30, 2019 totaled \$266 million and \$1,005 million, respectively, compared to \$236 million and \$817 million in 2018. The relative increases in cash flows from operating activities of \$30 million and \$188 million were primarily attributable to the strong performance and growth of our businesses in the current periods as reflected by our higher net income and Funds From Operations, relative to the prior periods.

The net change in working capital balances shown in the unaudited interim consolidated statements of cash flows is comprised of the following:

(MILLIONS)	Three months ended September 30		Nine months ended September 30	
	2019	2018	2019	2018
Trade receivables and other current assets	\$ (34)	\$ (79)	\$ 24	\$ (66)
Accounts payable and accrued liabilities	16	64	(25)	10
Other assets and liabilities	4	14	(11)	10
	<u>\$ (14)</u>	<u>\$ (1)</u>	<u>\$ (12)</u>	<u>\$ (46)</u>

Financing Activities

Cash flows used in financing activities totaled \$319 million for the third quarter of 2019. The proceeds from the issuance of C\$300 million Series 12 and C\$300 million Series 13 medium term notes completed during the period were more than offset by the repayment of borrowings, primarily our credit facilities (including amounts on deposit from Brookfield) and the distributions noted below.

Cash flows used in financing activities totaled \$828 million for the nine months ended September 30, 2019. The proceeds raised from the issuance of C\$300 million Series 12 medium term notes, C\$300 Series 13 medium term notes and C\$175 million Series 15 preferred units and proceeds from the sale of a 25% interest in a select portfolio of Canadian hydroelectric assets were more than offset by repayments of borrowings, primarily the corporate credit facility, and the distributions noted below.

We increased our distributions to \$2.06 per LP Unit on an annualized basis, an increase of 10 cents per LP Unit which took effect in the first quarter of 2019.

For the three and nine months ended September 30, 2019, distributions paid to unitholders of Brookfield Renewable or BRELP were \$171 million and \$513 million, respectively (2018: \$161 million and \$482 million, respectively). The distributions paid to preferred shareholders, preferred limited partners' unitholders and participating non-controlling interests - in operating subsidiaries totaled \$141 million and \$570 million, respectively (2018: \$97 million and \$485 million, respectively).

Investing Activities

Cash flows used in investing activities for the third quarter of 2019 totaled \$49 million. Our acquisitions and investments in the development of power generating assets and sustaining capital expenditures totaled \$107 million, partially offset by proceeds received from the completed sale of a 66 MW solar facility in South Africa and disposal of securities.

Cash flows used in investing activities for the nine months ended September 30, 2019 totaled \$123 million. Our acquisitions and investments in the development of power generating assets and sustaining capital expenditures totaled \$196 million, which were offset by proceeds received from asset sales as we completed the sale of 146 MW of wind and solar facilities in South Africa.

SHARES AND UNITS OUTSTANDING

Shares and units outstanding are as follows:

(MILLIONS, EXCEPT AS NOTED)	September 30, 2019	December 31, 2018
Class A Preference Shares⁽¹⁾	31,035,967	31,035,967
Preferred Units⁽²⁾		
Balance, beginning of year	37,885,496	27,885,496
Issuance	7,000,000	10,000,000
Balance, end of period/year	44,885,496	37,885,496
GP interest	2,651,506	2,651,506
Redeemable/Exchangeable partnership units	129,658,623	129,658,623
LP Units		
Balance, beginning of year	178,821,204	180,388,361
Distribution reinvestment plan	144,245	289,641
Repurchase of LP Units for cancellation	(20,000)	(1,856,798)
Balance, end of period/year	178,945,449	178,821,204
Total LP Units on a fully-exchanged basis ⁽³⁾	308,604,072	308,479,827

⁽¹⁾ Class A Preference Shares are broken down by series as follows: 5,449,675 Series 1 Class A Preference Shares are outstanding; 4,510,389 Series 2 Class A Preference Shares are outstanding; 9,961,399 Series 3 Class A Preference Shares are outstanding; 4,114,504 Series 5 Class A Preference Shares are outstanding; and 7,000,000 Series 6 Class A Preference Shares are outstanding.

⁽²⁾ Preferred Units are broken down by series and certain series are convertible on a one for one basis at the option of the holder as follows: 2,885,496 Series 5 Preferred Units are outstanding; 7,000,000 Series 7 Preferred Units are outstanding (convertible for Series 8 Preferred Units beginning on January 31, 2021); 8,000,000 Series 9 Preferred Units are outstanding (convertible for Series 10 Preferred Units beginning on July 31, 2021); 10,000,000 Series 11 Preferred Units are outstanding (convertible for Series 12 Preferred Units beginning on April 30, 2022); 10,000,000 Series 13 Preferred Units are outstanding (convertible for Series 14 Preferred Units beginning on April 30, 2023); and 7,000,000 Series 15 Preferred Units are outstanding (convertible for Series 16 Preferred Units beginning on April 30, 2024).

⁽³⁾ The fully-exchanged amounts assume the exchange of all Redeemable/Exchangeable partnership units for LP Units.

DIVIDENDS AND DISTRIBUTIONS

Dividends and distributions declared and paid are as follows:

(MILLIONS)	Three months ended September 30				Nine months ended September 30			
	Declared		Paid		Declared		Paid	
	2019	2018	2019	2018	2019	2018	2019	2018
Class A Preference Shares	\$ 6	\$ 7	\$ 7	\$ 7	\$ 19	\$ 20	\$ 20	\$ 20
Class A Preferred LP Units	\$ 12	\$ 10	\$ 12	\$ 10	\$ 33	\$ 29	\$ 32	\$ 27
Participating non-controlling interests - in operating subsidiaries	\$ 124	\$ 81	\$ 124	\$ 81	\$ 520	\$ 438	\$ 520	\$ 438
GP interest and Incentive distributions	\$ 13	\$ 11	\$ 13	\$ 11	\$ 41	\$ 34	\$ 40	\$ 33
Redeemable/Exchangeable partnership units	\$ 66	\$ 64	\$ 66	\$ 64	\$ 201	\$ 192	\$ 200	\$ 191
LP Units	\$ 92	\$ 88	\$ 94	\$ 86	\$ 277	\$ 266	\$ 275	\$ 258

CONTRACTUAL OBLIGATIONS

Please see Note 18 - Commitments, contingencies and guarantees in the unaudited interim consolidated financial statements, for further details on the following:

- *Commitments* - Water, land, and dam usage agreements, and agreements and conditions on committed acquisitions of operating portfolios and development projects;
- *Contingencies* - Legal proceedings, arbitrations and actions arising in the normal course of business, and providing for letters of credit; and
- *Guarantees* - Nature of all the indemnification undertakings.

OFF-STATEMENT OF FINANCIAL POSITION ARRANGEMENTS

Brookfield Renewable does not have any off-statement of financial position arrangements that have or are reasonably likely to have a material current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

Brookfield Renewable issues letters of credit from its corporate credit facilities for general corporate purposes which include, but are not limited to, security deposits, performance bonds and guarantees for reserve accounts. As at September 30, 2019, letters of credit issued amounted to \$219 million (2018: \$35 million).

PART 6 - SELECTED QUARTERLY INFORMATION

SUMMARY OF HISTORICAL QUARTERLY RESULTS

The following is a summary of unaudited quarterly financial information for the last eight consecutive quarters on a consolidated basis:

(MILLIONS, EXCEPT AS NOTED)	2019			2018				2017
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<i>Total Generation (GWh) - LTA</i>	12,332	14,252	13,493	13,485	12,113	13,521	12,852	12,198
<i>Total Generation (GWh) - actual</i>	11,089	14,881	14,125	14,445	11,609	13,122	12,880	11,913
<i>Proportionate Generation (GWh) - LTA</i>	5,821	7,109	6,698	6,602	5,956	6,935	6,351	6,030
<i>Proportionate Generation (GWh) - actual</i>	5,213	7,602	7,246	7,052	5,552	6,455	6,694	5,890
Revenues	\$ 642	\$ 787	\$ 825	\$ 780	\$ 674	\$ 735	\$ 793	\$ 657
Net income (loss) attributable to Unitholders	(53)	17	43	91	(55)	(2)	8	(67)
Basic and diluted earnings (loss) per LP Unit	(0.17)	0.05	0.14	0.29	(0.18)	(0.01)	0.03	(0.22)
Consolidated Adjusted EBITDA	507	630	652	604	494	543	582	454
Proportionate Adjusted EBITDA	301	400	395	371	277	324	351	296
Funds From Operations	133	230	227	206	105	172	193	143
Funds From Operations per Unit	0.43	0.74	0.73	0.66	0.33	0.55	0.62	0.46
Distribution per LP Unit	0.515	0.515	0.515	0.490	0.490	0.490	0.490	0.468

PROPORTIONATE RESULTS FOR THE NINE MONTHS ENDED SEPTEMBER 30

The following chart reflects the generation and summary financial figures on a **proportionate basis** for the nine months ended September 30:

	(GWh)				(MILLIONS)							
	Actual Generation		LTA Generation		Revenues		Adjusted EBITDA		Funds From Operations		Net Income (Loss)	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Hydroelectric												
North America	10,260	9,704	9,326	9,915	\$ 700	\$ 655	\$ 501	\$ 455	\$ 375	\$ 322	\$ 146	\$ 130
Brazil	2,890	2,731	2,987	2,931	173	185	144	133	119	109	55	5
Colombia	2,347	2,382	2,520	2,547	174	160	107	91	75	62	56	41
	15,497	14,817	14,833	15,393	1,047	1,000	752	679	569	493	257	176
Wind												
North America	2,190	1,905	2,622	2,215	167	158	120	109	67	64	(44)	(39)
Europe	663	413	729	496	71	46	50	27	37	13	(7)	(12)
Brazil	454	473	475	475	27	33	20	26	13	20	(2)	(1)
Asia	184	117	186	117	13	9	10	6	7	3	2	(3)
	3,491	2,908	4,012	3,303	278	246	200	168	124	100	(51)	(55)
Solar	765	569	783	546	145	106	123	87	81	57	23	19
Storage & Other	308	407	—	—	66	62	30	33	20	23	—	(6)
Corporate	—	—	—	—	—	—	(9)	(15)	(204)	(203)	(222)	(183)
Total	20,061	18,701	19,628	19,242	\$ 1,536	\$ 1,414	\$ 1,096	\$ 952	\$ 590	\$ 470	\$ 7	\$ (49)

RECONCILIATION OF NON-IFRS MEASURES

The following table reflects Adjusted EBITDA, Funds From Operations, Adjusted Funds From Operations and provides a reconciliation to net income (loss) attributable to Unitholders for the nine months ended September 30, 2019:

(MILLIONS)	Attributable to Unitholders										Contribution from equity-accounted investments	Attributable to non-controlling interests	As per IFRS financials ⁽¹⁾	
	Hydroelectric			Wind				Solar	Storage and Other	Corporate				Total
	North America	Brazil	Colombia	North America	Europe	Brazil	Asia							
Revenues	700	173	174	167	71	27	13	145	66	—	1,536	(286)	1,004	2,254
Other income	11	20	—	2	3	—	—	5	—	8	49	(11)	12	50
Direct operating costs	(210)	(49)	(67)	(49)	(24)	(7)	(3)	(27)	(36)	(17)	(489)	82	(338)	(745)
Share of Adjusted EBITDA from equity accounted investments	—	—	—	—	—	—	—	—	—	—	—	215	15	230
Adjusted EBITDA	501	144	107	120	50	20	10	123	30	(9)	1,096	—	693	—
Management service costs	—	—	—	—	—	—	—	—	—	(73)	(73)	—	—	(73)
Interest expense - borrowings	(119)	(16)	(25)	(51)	(13)	(6)	(3)	(42)	(10)	(70)	(355)	78	(238)	(515)
Current income taxes	(7)	(9)	(7)	(2)	—	(1)	—	—	—	—	(26)	4	(27)	(49)
Distributions attributable to														
Preferred limited partners equity	—	—	—	—	—	—	—	—	—	(33)	(33)	—	—	(33)
Preferred equity	—	—	—	—	—	—	—	—	—	(19)	(19)	—	—	(19)
Share of interest and cash taxes from equity accounted investments	—	—	—	—	—	—	—	—	—	—	—	(82)	(7)	(89)
Share of Funds From Operations attributable to non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	—	(421)	(421)
Funds From Operations	375	119	75	67	37	13	7	81	20	(204)	590	—	—	—
Depreciation	(168)	(66)	(15)	(117)	(34)	(13)	(3)	(41)	(18)	(3)	(478)	104	(226)	(600)
Foreign exchange and unrealized financial instrument loss	—	1	1	2	(19)	(3)	—	—	(2)	(25)	(45)	13	(8)	(40)
Deferred income tax expense	(15)	3	(5)	13	8	—	(1)	15	—	22	40	(35)	(16)	(11)
Other	(46)	(2)	—	(9)	1	1	(1)	(32)	—	(12)	(100)	26	33	(41)
Share of earnings from equity accounted investments	—	—	—	—	—	—	—	—	—	—	—	(108)	—	(108)
Net income attributable to non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	—	217	217
Net income (loss) attributable to Unitholders ⁽²⁾	146	55	56	(44)	(7)	(2)	2	23	—	(222)	7	—	—	7

⁽¹⁾ Share of earnings from equity-accounted investments of \$33 million is comprised of amounts found on the share of Adjusted EBITDA, share of interest and cash taxes and share of earnings lines. Net income attributable to participating non-controlling interests - in operating subsidiaries of \$204 million is comprised of amounts found on Share of Funds From Operations attributable to non-controlling interests and Net Income attributable to non-controlling interests.

⁽²⁾ Net income (loss) attributable to Unitholders includes net income (loss) attributable to GP interest, Redeemable/Exchangeable partnership units and LP Units. Total net income (loss) includes amounts attributable to Unitholders, non-controlling interests, preferred limited partners equity and preferred equity.

The following table reflects Adjusted EBITDA, Funds From Operations, Adjusted Funds From Operations and provides a reconciliation to net income (loss) attributable to Unitholders for the nine months ended September 30, 2018:

(MILLIONS)	Attributable to Unitholders										Total	Contribution from equity-accounted investments	Attributable to non-controlling interests	As per IFRS financials ⁽¹⁾
	Hydroelectric			Wind				Solar	Storage and Other	Corporate				
	North America	Brazil	Colombia	North America	Europe	Brazil	Asia							
Revenues.....	655	185	160	158	46	33	9	106	62	—	1,414	(197)	985	2,202
Other income.....	6	3	1	1	1	—	—	4	—	2	18	(5)	13	26
Direct operating costs.....	(206)	(55)	(70)	(50)	(20)	(7)	(3)	(23)	(29)	(17)	(480)	63	(343)	(760)
Share of Adjusted EBITDA from equity accounted investments.....	—	—	—	—	—	—	—	—	—	—	—	139	12	151
Adjusted EBITDA.....	455	133	91	109	27	26	6	87	33	(15)	952	—	667	
Management service costs.....	—	—	—	—	—	—	—	—	—	(64)	(64)	—	—	(64)
Interest expense - borrowings.....	(128)	(17)	(29)	(44)	(12)	(6)	(3)	(30)	(10)	(75)	(354)	54	(234)	(534)
Current income taxes.....	(5)	(7)	—	(1)	(2)	—	—	—	—	—	(15)	3	(8)	(20)
Distributions attributable to														
Preferred limited partners equity.....	—	—	—	—	—	—	—	—	—	(29)	(29)	—	—	(29)
Preferred equity.....	—	—	—	—	—	—	—	—	—	(20)	(20)	—	—	(20)
Share of interest and cash taxes from equity accounted investments.....	—	—	—	—	—	—	—	—	—	—	—	(57)	(10)	(67)
Share of Funds From Operations attributable to non-controlling interests.....	—	—	—	—	—	—	—	—	—	—	—	—	(415)	(415)
Funds From Operations.....	322	109	62	64	13	20	3	57	23	(203)	470	—	—	
Depreciation.....	(170)	(103)	(14)	(89)	(30)	(10)	(2)	(24)	(17)	(1)	(460)	61	(212)	(611)
Foreign exchange and unrealized financial instrument loss.....	(4)	—	1	3	6	(11)	(2)	(3)	(2)	14	2	(6)	(31)	(35)
Deferred income tax expense.....	1	1	(4)	(9)	2	—	—	(1)	—	24	14	2	(18)	(2)
Other.....	(19)	(2)	(4)	(8)	(3)	—	(2)	(10)	(10)	(17)	(75)	15	(12)	(72)
Share of earnings from equity accounted investments.....	—	—	—	—	—	—	—	—	—	—	—	(72)	—	(72)
Net income attributable to non-controlling interests.....	—	—	—	—	—	—	—	—	—	—	—	—	273	273
Net income (loss) attributable to Unitholders ⁽²⁾	130	5	41	(39)	(12)	(1)	(3)	19	(6)	(183)	(49)	—	—	(49)

⁽¹⁾ Share of earnings from equity-accounted investments of \$12 million is comprised of amounts found on the share of Adjusted EBITDA, share of interest and cash taxes and share of earnings lines. Net income attributable to participating non-controlling interests - in operating subsidiaries of \$142 million is comprised of amounts found on Share of Funds From Operations attributable to non-controlling interests and Net Income attributable to non-controlling interests.

⁽²⁾ Net income (loss) attributable to Unitholders includes net income (loss) attributable to GP interest, Redeemable/Exchangeable partnership units and LP Units. Total net income (loss) includes amounts attributable to Unitholders, non-controlling interests, preferred limited partners equity and preferred equity.

The following table reconciles net income (loss) attributable to Limited partners' equity and earnings per LP Unit, the most directly comparable IFRS measures, to Funds From Operations, Funds From Operations per Unit, both non-IFRS financial metrics for the nine months ended September 30:

(MILLIONS, EXCEPT AS NOTED)	2019	2018	Per unit	
			2019	2018
Net income (loss) attributable to:				
Limited partners' equity	\$ 4	\$ (28)	\$ 0.02	\$ (0.16)
General partnership interest in a holding subsidiary held by Brookfield	—	(1)	—	—
Participating non-controlling interests - in a holding subsidiary - Redeemable/Exchangeable units held by Brookfield	3	(20)	—	—
Net income (loss) attributable to Unitholders	\$ 7	\$ (49)	\$ 0.02	\$ (0.16)
Adjusted for proportionate share of:				
Depreciation	478	460	1.54	1.47
Foreign exchange and unrealized financial instruments (gain) loss	45	(2)	0.14	(0.01)
Deferred income tax expense	(40)	(14)	(0.13)	(0.04)
Other	100	75	0.33	0.24
Funds From Operations	\$ 590	\$ 470	\$ 1.90	\$ 1.50
Weighted average Units outstanding ⁽¹⁾			311.2	312.7

⁽¹⁾ Includes GP interest, Redeemable/Exchangeable partnership units, and LP Units.

PART 7 - CRITICAL ESTIMATES, ACCOUNTING POLICIES AND INTERNAL CONTROLS

CRITICAL ESTIMATES AND CRITICAL JUDGMENTS IN APPLYING ACCOUNTING POLICIES

The unaudited interim consolidated financial statements are prepared in accordance with IAS 34, which require the use of estimates and judgments in reporting assets, liabilities, revenues, expenses and contingencies. In the judgment of management, none of the estimates outlined in Note 1 - Basis of preparation and significant accounting policies in our unaudited interim consolidated financial statements are considered critical accounting estimates as defined in Canadian National Instrument 51-102 - Continuous Disclosure Obligations with the exception of the estimates related to the valuation of property, plant and equipment and the related deferred income tax liabilities. These assumptions include estimates of future electricity prices, discount rates, expected long-term average generation, inflation rates, terminal year and operating and capital costs, the amount, the timing and the income tax rates of future income tax provisions. Estimates also include determination of accruals, purchase price allocations, useful lives, asset valuations, asset impairment testing, deferred tax liabilities, decommissioning retirement obligations and those relevant to the defined benefit pension and non-pension benefit plans. Estimates are based on historical experience, current trends and various other assumptions that are believed to be reasonable under the circumstances.

In making estimates, management relies on external information and observable conditions where possible, supplemented by internal analysis, as required. These estimates have been applied in a manner consistent with that in the prior year and there are no known trends, commitments, events or uncertainties that we believe will materially affect the methodology or assumptions utilized in this report. These estimates are impacted by, among other things, future power prices, movements in interest rates, foreign exchange volatility and other factors, some of which are highly uncertain, as described in the “Risk Factors” section in our 2018 Annual Report. The interrelated nature of these factors prevents us from quantifying the overall impact of these movements on Brookfield Renewable’s financial statements in a meaningful way. These sources of estimation uncertainty relate in varying degrees to substantially all asset and liability account balances. Actual results could differ from those estimates.

NEW ACCOUNTING STANDARDS

(i) IFRS 3 - Business Combinations

In October 2018, the IASB issued an amendment to IFRS 3 Business Combinations (“IFRS 3”), effective for annual periods beginning on or after January 1, 2020 with early adoption permitted. The amendment clarifies that a business must include, at minimum, an input and a substantive process that together contribute to the ability to create outputs, and assists companies in determining whether an acquisition is a business combination or an acquisition of a group of assets by providing supplemental guidance for assessing whether an acquired process is substantive. Brookfield Renewable has decided to early adopt the amendments to IFRS 3 effective January 1, 2019 and shall apply the amended standard in assessing business combinations on a prospective basis. For acquisitions that are determined to be acquisitions of assets as opposed to business combinations, Brookfield Renewable will allocate the transaction price and transaction costs to the individual identified assets acquired and liabilities assumed on the basis of their relative fair values, and no goodwill will be recognized. Acquisitions that continue to meet the definition of a business combination will be accounted for under the acquisition method, without any changes to the Brookfield Renewable’s accounting policy.

(ii) IFRS 16 - Leases

On January 1, 2019 Brookfield Renewable adopted IFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application was recognized in retained earnings on January 1, 2019. As a result, Brookfield Renewable has changed its accounting policy for lease contracts as detailed below.

Definition of a lease

Previously, Brookfield Renewable determined at contract inception whether an arrangement is or contains a lease under IFRIC 4. Under IFRS 16, Brookfield Renewable assesses whether a contract is or contains a lease based on the definition of a lease, as explained in Note 1(c).

On transition to IFRS 16, Brookfield Renewable elected to apply the practical expedient to grandfather the assessment of which transactions are leases. Brookfield Renewable applied IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under IAS 17 and IFRIC 4 were not reassessed to determine whether there

is a lease. Therefore, the definition of a lease under IFRS 16 was applied only to contracts entered into or changed on or after January 1, 2019.

Leases classified as operating leases under IAS 17

At transition, lease liabilities were measured at the present value of the remaining lease payments, discounted at Brookfield Renewable's incremental borrowing rate as at January 1, 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

Brookfield Renewable used the following practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17:

- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than twelve months of lease term; and
- Excluded initial direct costs from measuring the right-of-use assets at the date of initial application.

Leases classified as finance leases under IAS 17

For leases that were classified as finance leases under IAS 17, the carrying amount of the right-of-use asset and the lease liability at January 1, 2019 are determined at the carrying amount of the lease asset and lease liability under IAS 17 immediately before that date.

Impacts on financial statements

On transition to IFRS 16, Brookfield Renewable recognized an additional \$145 million of right-of-use assets and \$147 million of lease liabilities, recognizing the difference in equity.

When measuring lease liabilities, Brookfield Renewable discounted lease payments using its incremental borrowing rate at January 1, 2019. The weighted-average rate applied was 5.5%. The difference between the operating lease commitments disclosed at December 31, 2018 of \$250 million and leases liabilities recognized at January 1, 2019 of \$147 million is primarily due to the time value of money.

FUTURE CHANGES IN ACCOUNTING POLICIES

There are currently no future changes to IFRS with potential impact on Brookfield Renewable.

INTERNAL CONTROL OVER FINANCIAL REPORTING

No changes were made in our internal control over financial reporting during the nine months ended September 30, 2019, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

SUBSEQUENT EVENTS

Sale of European Wind Portfolios

Subsequent to quarter-end, Brookfield Renewable completed the sale of a wind portfolio in Northern Ireland and a wind portfolio in Portugal for total proceeds of \$186 million (\$74 million net to Brookfield Renewable).

Brookfield Renewable Corporation

Subsequent to quarter-end, we announced our intention to create BEPC with publicly-traded shares that we expect will be economically-equivalent to the limited partnership units of Brookfield Renewable. The class A shares of BEPC are expected to be distributed as a special distribution to Brookfield Renewable's existing unitholders, other than preferred unitholders. The class A shares of BEPC will be structured with the intention of being economically equivalent to the limited partnership units of BEP and will be exchangeable, at the shareholder's option, for one BEP limited partnership unit. Subject to receiving required approvals, the BEPC class A shares will be publicly listed. A registration statement on Form F-1 in connection with this transaction was filed with the SEC on November 8, 2019 and a preliminary prospectus will be filed with the securities regulators in Canada (and available on the SEC's website at www.sec.gov or on SEDAR's website at www.sedar.com). This Interim Report does not constitute an offer to sell or the solicitation of an offer to buy any securities of BEPC or BEP, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

PART 8 - PRESENTATION TO STAKEHOLDERS AND PERFORMANCE MEASUREMENT

PRESENTATION TO PUBLIC STAKEHOLDERS

Equity

Brookfield Renewable's consolidated equity interests include the non-voting LP Units held by public LP Unitholders and Brookfield, Redeemable/Exchangeable Limited Partnership Units in BRELP, a holding subsidiary of Brookfield Renewable, held by Brookfield, and GP interest in BRELP held by Brookfield. The LP Units and the Redeemable/Exchangeable Partnership Units have the same economic attributes in all respects, except that the Redeemable/Exchangeable Partnership Units provide Brookfield the right to request that their units be redeemed for cash consideration. In the event that Brookfield exercises this right, Brookfield Renewable has the right, at its sole discretion, to satisfy the redemption request with LP Units, rather than cash, on a one-for-one basis. Brookfield, as holder of Redeemable/Exchangeable Partnership Units, participates in earnings and distributions on a per unit basis equivalent to the per unit participation of the LP Units. As Brookfield Renewable, at its sole discretion, has the right to settle the obligation with LP Units, the Redeemable/Exchangeable Partnership Units are classified under equity, and not as a liability.

Given the exchange feature referenced above, we are presenting LP Units, Redeemable/Exchangeable Partnership Units, and the GP Interest as separate components of consolidated equity. This presentation does not impact the total income (loss), per unit or share information, or total consolidated equity.

As at the date of this report, Brookfield owns an approximate 60% LP Unit interest, on a fully-exchanged basis, and all general partnership interests in Brookfield Renewable, representing a 0.01% interest, while the remaining approximately 40% is held by the public.

Actual and Long-term Average Generation

For assets acquired, disposed or reaching commercial operation during the year, reported generation is calculated from the acquisition, disposition or commercial operation date and is not annualized. As it relates to Colombia only, generation includes both hydroelectric and cogeneration facilities. "Other" includes generation from North America cogeneration and Brazil biomass.

North America hydroelectric long-term average is the expected average level of generation based on the results of a simulation based on historical inflow data performed over a period of typically 30 years. Colombia hydroelectric long-term average is the expected average level of generation based on the results of a simulation based on historical inflow data performed over a period of typically 20 years. Hydroelectric assets located in Brazil benefit from a market framework which levelizes generation risk across producers. Wind long-term average is the expected average level of generation based on the results of simulated historical wind speed data performed over a period of typically 10 years. Solar long-term average is the expected average level of generation based on the results of a simulation using historical irradiance levels in the locations of our projects over a period of 14 to 20 years.

We compare actual generation levels against the long-term average to highlight the impact of an important factor that affects the variability of our business results. In the short-term, we recognize that hydrology, wind and irradiance conditions 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.

Our risk of a generation shortfall in Brazil continues to be minimized by participation in a hydrological balancing pool administered by the government of Brazil. This program mitigates hydrology risk by assuring that all participants receive, at any particular point in time, an assured energy amount, irrespective of the actual volume of energy generated. The program reallocates energy, transferring surplus energy from those who generated an excess to those who generate less than their assured energy, up to the total generation within the pool. Periodically, low precipitation across the entire country's system could result in a temporary reduction of generation available for sale. During these periods, we expect that a higher proportion of thermal generation would be needed to balance supply and demand in the country, potentially leading to higher overall spot market prices.

Generation from our North American pumped storage and cogeneration facilities is highly dependent on market price conditions rather than the generating capacity of the facilities. Our European pumped storage facility generates on a dispatchable basis when required by our contracts for ancillary services. Generation from our biomass facilities is dependent

on the amount of sugar cane harvested in a given year. For these reasons, we do not consider a long-term average for these facilities.

Voting Agreements with Affiliates

Brookfield Renewable has entered into voting agreements with Brookfield, whereby Brookfield Renewable gained control of the entities that own certain United States, Brazil, Europe and India renewable power generating operations as well as the entity that owns the renewable power generating operations acquired as part of the investment in TerraForm Global. Brookfield Renewable has also entered into voting agreements with its consortium partners in respect of the Colombian operations and a portfolio of select Canadian hydroelectric assets. The voting agreements provide Brookfield Renewable the authority to direct the election of the Boards of Directors of the relevant entities, among other things, and therefore provide Brookfield Renewable with control. Accordingly, Brookfield Renewable consolidates the accounts of these entities.

Brookfield Renewable has also entered into a voting agreement with Brookfield, whereby Brookfield Renewable gained certain rights in respect of the partnership that controls TerraForm Power and its subsidiaries. This voting agreement provides Brookfield Renewable the authority to direct the election of one member of the Board of Directors of the general partner of such partnership, among other things, and therefore provides Brookfield Renewable with significant influence over the partnership that controls TerraForm Power. Accordingly, Brookfield Renewable equity accounts for the partnership that controls TerraForm Power.

For entities previously controlled by Brookfield Asset Management, the voting agreements entered into do not represent business combinations in accordance with IFRS 3, as all combining businesses are ultimately controlled by Brookfield Asset Management both before and after the transactions were completed. Brookfield Renewable accounts for these transactions involving entities under common control in a manner similar to a pooling of interest, which requires the presentation of pre-voting agreement financial information as if the transactions had always been in place. Refer to Note 1(r)(ii) – Critical judgments in applying accounting policies - Common control transactions in our December 31, 2018 audited consolidated financial statements for our policy on accounting for transactions under common control.

PERFORMANCE MEASUREMENT

Segment Information

Our operations are segmented by – 1) hydroelectric, 2) wind, 3) solar, 4) storage & other (cogeneration and biomass), and 5) corporate – with hydroelectric and wind further segmented by geography (i.e., North America, Colombia, Brazil, Europe and Asia). This best reflects the way in which the CODM reviews results, manages operations and allocates resources. The Colombia segment aggregates the financial results of its hydroelectric and cogeneration facilities. The Canada segment includes the financial results of our strategic investment in Transalta Corporation. The corporate segment represents all activity performed above the individual segments for the business.

We report our results in accordance with these segments and present prior period segmented information in a consistent manner. See Note 6 - Segmented information in our unaudited interim consolidated financial statements.

One of our primary business objectives is to generate stable and growing cash flows while minimizing risk for the benefit of all stakeholders. We monitor our performance in this regard through three key metrics — i) Net Income (Loss), ii) Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (“Adjusted EBITDA”), and iii) Funds From Operations.

It is important to highlight that Adjusted EBITDA and 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 and have limitations as analytical tools. We provide additional information below on how we determine Adjusted EBITDA and Funds From Operations. We also provide reconciliations to Net income (loss). See “Part 4 - Financial Performance Review on Proportionate Information – Reconciliation of Non-IFRS Measures” and “Part 6 - Selected Quarterly Information – Reconciliation of Non-IFRS measures”.

Proportionate Information

Reporting to the CODM on the measures utilized to assess performance and allocate resources has been provided on a proportionate basis. Information on a proportionate basis reflects Brookfield Renewable’s share from facilities which it accounts for using consolidation and the equity method whereby Brookfield Renewable either controls or exercises significant influence or joint control over the investment, respectively. Proportionate information provides a Unitholder perspective that the CODM considers important when performing internal analyses and making strategic and operating decisions. The CODM also believes that providing proportionate information helps investors understand the impacts of decisions made by management and financial results allocable to Unitholders.

Proportionate financial information is not, and is not intended to be, presented in accordance with IFRS. Tables reconciling IFRS data with data presented on a proportionate basis have been disclosed. Segment revenues, other income, direct operating costs, interest expense, depreciation, current and deferred income taxes, and other are items that will differ from results presented in accordance with IFRS as these items (1) include Brookfield Renewable's proportionate share of earnings from equity-accounted investments attributable to each of the above-noted items, and (2) exclude the proportionate share of earnings (loss) of consolidated investments not held by us apportioned to each of the above-noted items.

The presentation of proportionate results has limitations as an analytical tool, including the following:

- The amounts shown on the individual line items were derived by applying our overall economic ownership interest percentage and do not necessarily represent our legal claim to the assets and liabilities, or the revenues and expenses; and
- Other companies may calculate proportionate results differently than we do.

Because of these limitations, our proportionate financial information should not be considered in isolation or as a substitute for our financial statements as reported under IFRS.

Brookfield Renewable does not control those entities that have not been consolidated and as such, have been presented as equity-accounted investments in its financial statements. The presentation of the assets and liabilities and revenues and expenses do not represent Brookfield Renewable's legal claim to such items, and the removal of financial statement amounts that are attributable to non-controlling interests does not extinguish Brookfield Renewable's legal claims or exposures to such items.

Net Income (Loss)

Net income (loss) is calculated in accordance with IFRS.

Net income (loss) is an important measure of profitability, in particular because it has a standardized meaning under IFRS. The presentation of net income (loss) on an IFRS basis for our business will often lead to the recognition of a loss even though the underlying cash flows generated by the assets are supported by strong margins and stable, long-term power purchase agreements. The primary reason for this is that accounting rules require us to recognize a significantly higher level of depreciation for our assets than we are required to reinvest in the business as sustaining capital expenditures.

Adjusted EBITDA

Adjusted EBITDA is a non-IFRS measure used by investors to analyze the operating performance of companies.

Brookfield Renewable uses Adjusted EBITDA to assess the performance of its operations before the effects of interest expense, income taxes, depreciation, management service costs, non-controlling interests, unrealized gain or loss on financial instruments, non-cash gain or loss from equity-accounted investments, distributions to preferred limited partners and other typical non-recurring items. Brookfield Renewable adjusts for these factors as they may be non-cash, unusual in nature and/or are not factors used by management for evaluating operating performance.

Brookfield Renewable believes that presentation of this measure will enhance an investor's ability to evaluate our financial and operating performance on an allocable basis to Unitholders.

Funds From Operations and Funds From Operations per Unit

Funds From Operations is a non-IFRS measure used by investors to analyze net earnings from operations without the effects of certain volatile items that generally have no current financial impact or items not directly related to the performance of the business.

Brookfield Renewable uses Funds From Operations to assess the performance of the business before the effects of certain cash items (e.g. acquisition costs and other typical non-recurring cash items) and certain non-cash items (e.g. deferred income taxes, depreciation, non-cash portion of non-controlling interests, unrealized gain or loss on financial instruments, non-cash gain or loss from equity-accounted investments, and other non-cash items) as these are not reflective of the performance of the underlying business. In our unaudited interim consolidated financial statements we use the revaluation approach in accordance with IAS 16, Property, Plant and Equipment, whereby depreciation is determined based on a revalued amount, thereby reducing comparability with our peers who do not report under IFRS as issued by the IASB or who do not employ the revaluation approach to measuring property, plant and equipment. We add back deferred income taxes on the basis that we do not believe this item reflects the present value of the actual tax obligations that we expect to incur over our long-term investment horizon.

Brookfield Renewable believes that analysis and presentation of Funds From Operations on this basis will enhance an investor's understanding of the performance of the business. Funds From Operations per Unit is not a substitute measure of performance for earnings per share and does not represent amounts available for distribution to LP Unitholders.

Funds From Operations is not intended to be representative of cash provided by operating activities or results of operations determined in accordance with IFRS. Furthermore, this measure is not used by the CODM to assess Brookfield Renewable's liquidity.

PART 9 - CAUTIONARY STATEMENTS

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Interim Report 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” provisions 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 Interim Report 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 nature of our portfolio, technology diversification, acquisition opportunities, expected completion of acquisitions and dispositions, financing and refinancing opportunities, the completion of the special distribution of BEPC’s class A shares, BEPC’s eligibility for index inclusion, BEPC’s ability to attract new investors as well as the future performance and prospects of BEPC and Brookfield Renewable following the distribution of BEPC’s class A shares, future energy prices and demand for electricity, economic recovery, achieving long-term average generation, project development and capital expenditure costs, 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. In some cases, 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”, “believes”, or variations of such words and phrases, or statements that certain actions, events or results “may”, “could”, “would”, “should”, “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 Interim Report 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 facilities, to wind conditions at our wind energy facilities, to irradiance at our solar facilities or to weather generally, due to climate change or otherwise, at any of our facilities; volatility in supply and demand in the energy markets; our inability to re-negotiate or replace expiring power purchase agreements on similar terms; increases in water rental costs (or similar fees) or changes to the regulation of water supply; advances in technology that impair or eliminate the competitive advantage of our projects; an increase in the amount of uncontracted generation in our portfolio; industry risks relating to the power markets in which we operate; the termination of, or a change to, the hydrological balancing pool in Brazil; increased regulation of our operations; concessions and licenses expiring and not being renewed or replaced on similar terms; delays, cost overruns and other problems associated with the construction and operation of generating facilities and risks associated with the 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; we do not have control over all our operations or investments; foreign laws or regulation to which we become subject as a result of future acquisitions in new markets; changes to government policies that provide incentives for renewable energy; a decline in the value of our investments in securities, including publicly traded securities of other companies; the failure to receive required approvals with respect to the distribution of the BEPC class A shares, including from the SEC, Canadian securities regulators and the stock exchanges on which BEPC intends to apply to list its class A shares; BEPC may not be included in any indices; we are not subject to the same disclosure requirements as a U.S. domestic issuer; the separation of economic interest from control within our organizational structure; the incurrence of debt at multiple levels within our organizational structure; being deemed an “investment company” under the U.S. Investment Company Act of 1940; the effectiveness of our internal controls over financial reporting; our dependence on Brookfield Asset Management and Brookfield Asset Management’s significant influence over us; the departure of some or all of Brookfield Asset Management’s key professionals; changes in how Brookfield Asset Management elects to hold its ownership interests in Brookfield Renewable; and Brookfield Asset Management acting in a way that is not in the best interests of Brookfield Renewable or our unitholders.

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 Interim Report and should not be relied upon as representing our views as of any subsequent date. While we anticipate that subsequent events and developments may cause our views to change, we

disclaim any obligation to update the forward-looking statements, other than as required by applicable law. For further information on these known and unknown risks, please see “Risk Factors” included in our Form 20-F.

CAUTIONARY STATEMENT REGARDING USE OF NON-IFRS MEASURES

This Interim Report contains references to Adjusted EBITDA, Funds From Operations and Funds From Operations per Unit (collectively, “Brookfield Renewable’s Non-IFRS Measures”) which are not generally accepted accounting measures under IFRS and therefore may differ from definitions of Adjusted EBITDA, Funds From Operations and Funds From Operations per Unit used by other entities. In particular, our definition of Funds From Operations may differ from the definition of funds from operations used by other organizations, as well as the definition of funds from operations used by the Real Property Association of Canada and the National Association of Real Estate Investment Trusts, Inc. (“NAREIT”), in part because the NAREIT definition is based on U.S. GAAP, as opposed to IFRS. We believe that Brookfield Renewable’s Non-IFRS Measures are useful supplemental measures that may assist investors in assessing our financial performance. Brookfield Renewable’s Non-IFRS Measures should not 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. These non-IFRS measures reflect how we manage our business and, in our opinion, enable the reader to better understand our business.

A reconciliation of Adjusted EBITDA and Funds From Operations to net income is presented in our Management’s Discussion and Analysis. We have also provided a reconciliation of Adjusted EBITDA and Funds From Operations to net income in Note 6 – Segmented information in the unaudited interim consolidated financial statements.

BROOKFIELD RENEWABLE PARTNERS L.P.

CONSOLIDATED STATEMENTS OF INCOME

UNAUDITED (MILLIONS, EXCEPT AS NOTED)	Notes	Three months ended September 30		Nine months ended September 30	
		2019	2018	2019	2018
Revenues	19	\$ 642	\$ 674	\$ 2,254	\$ 2,202
Other income		25	7	50	26
Direct operating costs		(239)	(257)	(745)	(760)
Management service costs	19	(29)	(22)	(73)	(64)
Interest expense - borrowings	9	(164)	(176)	(515)	(534)
Share of earnings from equity-accounted investments	13	1	6	33	12
Foreign exchange and unrealized financial instrument loss	5	(10)	(10)	(40)	(35)
Depreciation	8	(200)	(192)	(600)	(611)
Other		(38)	(18)	(41)	(72)
Income tax expense					
Current	7	(10)	(6)	(49)	(20)
Deferred	7	23	11	(11)	(2)
		13	5	(60)	(22)
Net income		<u>\$ 1</u>	<u>\$ 17</u>	<u>\$ 263</u>	<u>\$ 142</u>
Net income attributable to:					
Non-controlling interests					
Participating non-controlling interests - in operating subsidiaries	10	\$ 36	\$ 55	\$ 204	\$ 142
General partnership interest in a holding subsidiary held by Brookfield	10	(1)	(1)	—	(1)
Participating non-controlling interests - in a holding subsidiary - Redeemable/Exchangeable units held by Brookfield	10	(22)	(22)	3	(20)
Preferred equity	10	6	7	19	20
Preferred limited partners' equity	11	12	10	33	29
Limited partners' equity	12	(30)	(32)	4	(28)
		<u>\$ 1</u>	<u>\$ 17</u>	<u>\$ 263</u>	<u>\$ 142</u>
Basic and diluted (loss) earnings per LP Unit		<u>\$ (0.17)</u>	<u>\$ (0.18)</u>	<u>\$ 0.02</u>	<u>\$ (0.16)</u>

The accompanying notes are an integral part of these interim consolidated financial statements.

BROOKFIELD RENEWABLE PARTNERS L.P.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

UNAUDITED (MILLIONS)	Notes	Three months ended September 30		Nine months ended September 30	
		2019	2018	2019	2018
Net income		\$ 1	\$ 17	\$ 263	\$ 142
Other comprehensive loss that will not be reclassified to net income					
Revaluations of property, plant and equipment ...	8	83	(13)	83	163
Actuarial (loss) gain on defined benefit plans		—	4	(13)	9
Deferred income taxes on above items		(16)	2	(12)	(49)
Total items that will not be reclassified to net income		67	(7)	58	123
Other comprehensive income (loss) that may be reclassified to net income					
Foreign currency translation		(631)	(126)	(463)	(534)
(Losses) gains arising during the period on financial instruments designated as cash-flow hedges	5	(17)	(12)	(15)	2
Unrealized gain (loss) on foreign exchange swaps net investment hedge	5	21	(11)	22	50
Unrealized gain (loss) on investments in equity securities	5	14	10	37	(1)
Reclassification adjustments for amounts recognized in net income	5	(1)	3	(1)	17
Deferred income taxes on above items		(1)	4	—	(12)
Total items that may be reclassified subsequently to net income		(615)	(132)	(420)	(478)
Other comprehensive loss		(548)	(139)	(362)	(355)
Comprehensive loss		\$ (547)	\$ (122)	\$ (99)	\$ (213)
Comprehensive loss attributable to:					
Non-controlling interests					
Participating non-controlling interests - in operating subsidiaries	10	(274)	(21)	(21)	118
General partnership interest in a holding subsidiary held by Brookfield	10	(2)	(1)	(1)	(3)
Participating non-controlling interests - in a holding subsidiary - Redeemable/Exchangeable units held by Brookfield	10	(119)	(53)	(61)	(151)
Preferred equity	10	(1)	17	35	4
Preferred limited partners' equity	11	12	10	33	29
Limited partners' equity	12	\$ (163)	\$ (74)	\$ (84)	\$ (210)
		(547)	(122)	(99)	(213)

The accompanying notes are an integral part of these interim consolidated financial statements.

BROOKFIELD RENEWABLE PARTNERS L.P.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

UNAUDITED (MILLIONS)	Notes	September 30, 2019	December 31, 2018
Assets			
Current assets			
Cash and cash equivalents	14	\$ 209	\$ 173
Restricted cash	15	166	136
Trade receivables and other current assets	16	635	607
Financial instrument assets	5	75	60
Due from related parties	19	75	65
Assets held for sale	4	782	920
		<u>1,942</u>	<u>1,961</u>
Financial instrument assets	5	197	124
Equity-accounted investments	13	1,536	1,569
Property, plant and equipment	8	28,350	29,025
Goodwill		777	828
Deferred income tax assets	7	114	91
Other long-term assets		519	505
Total Assets		<u>\$ 33,435</u>	<u>\$ 34,103</u>
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	17	\$ 675	\$ 533
Financial instrument liabilities	5	21	27
Payables due to related parties	19	133	101
Non-recourse borrowings	9	384	495
Liabilities directly associated with assets held for sale	4	385	533
		<u>1,598</u>	<u>1,689</u>
Financial instrument liabilities	5	146	111
Corporate borrowings	9	2,119	2,328
Non-recourse borrowings	9	8,122	7,895
Deferred income tax liabilities	7	4,096	4,140
Other long-term liabilities		956	734
Equity			
Non-controlling interests			
Participating non-controlling interests - in operating subsidiaries	10	7,841	8,129
General partnership interest in a holding subsidiary held by Brookfield	10	61	66
Participating non-controlling interests - in a holding subsidiary - Redeemable/Exchangeable units held by Brookfield	10	2,974	3,252
Preferred equity	10	585	568
Preferred limited partners' equity	11	833	707
Limited partners' equity	12	4,104	4,484
Total Equity		<u>16,398</u>	<u>17,206</u>
Total Liabilities and Equity		<u>\$ 33,435</u>	<u>\$ 34,103</u>

The accompanying notes are an integral part of these interim consolidated financial statements.

Approved on behalf of Brookfield Renewable Partners L.P.:



Patricia Zuccotti
Director



David Mann
Director

BROOKFIELD RENEWABLE PARTNERS L.P.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

UNAUDITED THREE MONTHS ENDED SEPTEMBER 30 (MILLIONS)	Accumulated other comprehensive income						Non-controlling interests						
	Limited partners' equity	Foreign currency translation	Revaluation surplus	Actuarial losses on defined benefit plans	Cash flow hedges	Investments in equity securities	Total limited partners' equity	Preferred limited partners' equity	Preferred equity	Participating non-controlling interests - in operating subsidiaries	General partnership interest in a holding subsidiary held by Brookfield	Participating non-controlling interests - in a holding subsidiary - Redeemable /Exchangeable units held by Brookfield	Total equity
Balance, as at June 30, 2019	\$ (882)	\$ (625)	\$ 5,918	\$ (9)	\$ (38)	\$ 5	\$ 4,369	\$ 833	\$ 591	\$ 8,226	\$ 65	\$ 3,166	\$ 17,250
Net income	(30)	—	—	—	—	—	(30)	12	6	36	(1)	(22)	1
Other comprehensive income (loss)	—	(153)	15	—	(4)	9	(133)	—	(7)	(310)	(1)	(97)	(548)
Capital contributions (Note 10)	—	—	—	—	—	—	—	—	—	35	—	—	35
Disposals (Note 3)	—	—	—	—	—	—	—	—	—	(30)	—	—	(30)
Distributions or dividends declared	(92)	—	—	—	—	—	(92)	(12)	(6)	(124)	(13)	(66)	(313)
Distribution reinvestment plan	2	—	—	—	—	—	2	—	—	—	—	—	2
Other	(9)	1	(3)	—	—	(1)	(12)	—	1	8	11	(7)	1
Change in period	(129)	(152)	12	—	(4)	8	(265)	—	(6)	(385)	(4)	(192)	(852)
Balance as at September 30, 2019	\$ (1,011)	\$ (777)	\$ 5,930	\$ (9)	\$ (42)	\$ 13	\$ 4,104	\$ 833	\$ 585	\$ 7,841	\$ 61	\$ 2,974	\$ 16,398
Balance, as at June 30, 2018	\$ (448)	\$ (533)	\$ 4,628	\$ (7)	\$ (21)	\$ 9	\$ 3,628	\$ 707	\$ 589	\$ 6,140	\$ 53	\$ 2,609	13,726
Net income (loss)	(32)	—	—	—	—	—	(32)	10	7	55	(1)	(22)	17
Other comprehensive income (loss)	—	(45)	(2)	1	(1)	5	(42)	—	10	(76)	—	(31)	(139)
Capital contributions	—	—	—	—	—	—	—	—	—	9	—	—	9
Distributions or dividends declared	(88)	—	—	—	—	—	(88)	(10)	(6)	(81)	(11)	(64)	(260)
Distribution reinvestment plan	2	—	—	—	—	—	2	—	—	—	—	—	2
Other	(6)	—	(1)	—	—	—	(7)	—	—	(1)	10	(3)	(1)
Change in period	(124)	(45)	(3)	1	(1)	5	(167)	—	11	(94)	(2)	(120)	(372)
Balance as at September 30, 2018	\$ (572)	\$ (578)	\$ 4,625	\$ (6)	\$ (22)	\$ 14	\$ 3,461	\$ 707	\$ 600	\$ 6,046	\$ 51	\$ 2,489	\$ 13,354

The accompanying notes are an integral part of these interim consolidated financial statements.

BROOKFIELD RENEWABLE PARTNERS L.P.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

UNAUDITED NINE MONTHS ENDED SEPTEMBER 30 (MILLIONS)	Accumulated other comprehensive income							Non-controlling interests					
	Limited partners' equity	Foreign currency translation	Revaluation surplus	Actuarial losses on defined benefit plans	Cash flow hedges	Investments in equity securities	Total limited partners' equity	Preferred limited partners' equity	Preferred equity	Participating non-controlling interests - in operating subsidiaries	General partnership interest in a holding subsidiary held by Brookfield	Participating non-controlling interests - in a holding subsidiary - Redeemable /Exchangeable units held by Brookfield	Total equity
Balance, as at December 31, 2018	\$ (948)	\$ (652)	\$ 6,120	\$ (6)	\$ (34)	\$ 4	\$ 4,484	\$ 707	\$ 568	\$ 8,129	\$ 66	\$ 3,252	\$ 17,206
Net income	4	—	—	—	—	—	4	33	19	204	—	3	263
Other comprehensive income (loss)	—	(112)	16	(4)	(8)	20	(88)	—	16	(225)	(1)	(64)	(362)
Preferred LP Units issued (Note 11)	—	—	—	—	—	—	—	126	—	—	—	—	126
LP Units purchased for cancellation (Note 12)	(1)	—	—	—	—	—	(1)	—	—	—	—	—	(1)
Capital contributions (Note 10)	—	—	—	—	—	—	—	—	—	333	—	—	333
Disposals (Note 3)	—	—	—	—	—	—	—	—	—	(83)	—	—	(83)
Distributions or dividends declared	(277)	—	—	—	—	—	(277)	(33)	(19)	(520)	(41)	(201)	(1,091)
Distribution reinvestment plan	5	—	—	—	—	—	5	—	—	—	—	—	5
Other	206	(13)	(206)	1	—	(11)	(23)	—	1	3	37	(16)	2
Change in period	(63)	(125)	(190)	(3)	(8)	9	(380)	126	17	(288)	(5)	(278)	(808)
Balance as at September 30, 2019	\$ (1,011)	\$ (777)	\$ 5,930	\$ (9)	\$ (42)	\$ 13	\$ 4,104	\$ 833	\$ 585	\$ 7,841	\$ 61	\$ 2,974	\$ 16,398
Balance, as at December 31, 2017	(259)	(378)	4,616	(9)	(29)	15	3,956	511	616	6,298	58	2,843	14,282
Net income	(28)	—	—	—	—	—	(28)	29	20	142	(1)	(20)	142
Other comprehensive income (loss)	—	(200)	9	3	7	(1)	(182)	—	(16)	(24)	(2)	(131)	(355)
Preferred LP Units issued	—	—	—	—	—	—	—	196	—	—	—	—	196
LP Units purchased for cancellation	(8)	—	—	—	—	—	(8)	—	—	—	—	—	(8)
Capital contributions	—	—	—	—	—	—	—	—	—	13	—	—	13
Acquisition	—	—	—	—	—	—	—	—	—	21	—	—	21
Distributions or dividends declared	(266)	—	—	—	—	—	(266)	(29)	(20)	(438)	(34)	(192)	(979)
Distribution reinvestment plan	7	—	—	—	—	—	7	—	—	—	—	—	7
Other	(18)	—	—	—	—	—	(18)	—	—	34	30	(11)	35
Change in period	(313)	(200)	9	3	7	(1)	(495)	196	(16)	(252)	(7)	(354)	(928)
Balance as at September 30, 2018	\$ (572)	\$ (578)	\$ 4,625	\$ (6)	\$ (22)	\$ 14	\$ 3,461	\$ 707	\$ 600	\$ 6,046	\$ 51	\$ 2,489	\$ 13,354

The accompanying notes are an integral part of these interim consolidated financial statements.

BROOKFIELD RENEWABLE PARTNERS L.P.

CONSOLIDATED STATEMENTS OF CASH FLOWS

UNAUDITED (MILLIONS)	Notes	Three months ended September 30		Nine months ended September 30	
		2019	2018	2019	2018
Operating activities					
Net income		\$ 1	\$ 17	\$ 263	\$ 142
Adjustments for the following non-cash items:					
Depreciation	8	200	192	600	611
Unrealized foreign exchange and financial instruments loss	5	11	5	42	14
Share of earnings from equity-accounted investments	13	(1)	(5)	(33)	(11)
Deferred income tax expense	7	(23)	(11)	11	2
Other non-cash items		19	10	69	50
Dividends received from equity-accounted investments	13	16	13	44	27
Changes in due to or from related parties		56	16	20	28
Net change in working capital balances		(13)	(1)	(11)	(46)
		<u>266</u>	<u>236</u>	<u>1,005</u>	<u>817</u>
Financing activities					
Long-term debt - borrowings	9	\$ 449	\$ 231	\$ 449	\$ 231
Corporate credit facilities, net	9	12	174	(709)	354
Proceeds from non-recourse borrowings	9	336	308	1,281	1,698
Repayment of non-recourse borrowings	9	(517)	(316)	(1,183)	(2,156)
Capital contributions from participating non-controlling interests - in operating subsidiaries	10	35	9	292	13
Issuance of preferred limited partnership units	11	—	—	126	196
Repurchase of LP Units	12	—	—	(1)	(8)
Distributions paid:					
To participating non-controlling interests - in operating subsidiaries	10	(124)	(81)	(520)	(438)
To preferred shareholders	10	(6)	(7)	(19)	(20)
To preferred limited partners' unitholders	11	(11)	(9)	(31)	(27)
To unitholders of Brookfield Renewable or BRELP	10, 12	(171)	(161)	(513)	(482)
Borrowings from related party	19	14	—	936	200
Repayments to related party	19	(336)	(200)	(936)	(200)
		<u>(319)</u>	<u>(52)</u>	<u>(828)</u>	<u>(639)</u>
Investing activities					
Investment in equity-accounted investments		—	—	(4)	(420)
Acquisitions net of cash and cash equivalents in acquired entity	2	(55)	—	(81)	(12)
Investment in property, plant and equipment	8	(52)	(59)	(115)	(153)
Proceeds from disposal of assets	3	16	—	98	—
(Investment in) disposal of securities	5	65	—	(9)	25
Restricted cash and other		(23)	(46)	(12)	(75)
		<u>(49)</u>	<u>(105)</u>	<u>(123)</u>	<u>(635)</u>
Foreign exchange gain (loss) on cash		(9)	(6)	(8)	(14)
Cash and cash equivalents					
Increase (decrease)		(111)	73	46	(471)
Net change in cash classified within assets held for sale		(2)	3	(10)	(15)
Balance, beginning of period		322	237	173	799
Balance, end of period		<u>\$ 209</u>	<u>\$ 313</u>	<u>\$ 209</u>	<u>\$ 313</u>
Supplemental cash flow information:					
Interest paid		\$ 144	\$ 154	\$ 463	\$ 469
Interest received		\$ 6	\$ 5	\$ 16	\$ 17
Income taxes paid		\$ 16	\$ 10	\$ 53	\$ 33

The accompanying notes are an integral part of these interim consolidated financial statements.

BROOKFIELD RENEWABLE PARTNERS L.P.

NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The business activities of Brookfield Renewable Partners L.P. ("Brookfield Renewable") consist of owning a portfolio of renewable power generating facilities primarily in North America, Colombia, Brazil, Europe, India and China.

Unless the context indicates or requires otherwise, the term "Brookfield Renewable" means Brookfield Renewable Partners L.P. and its controlled entities.

Brookfield Renewable is a publicly traded limited partnership established under the laws of Bermuda pursuant to an amended and restated limited partnership agreement dated November 20, 2011.

The registered office of Brookfield Renewable is 73 Front Street, Fifth Floor, Hamilton HM12, Bermuda.

The immediate parent of Brookfield Renewable is its general partner, Brookfield Renewable Partners Limited ("BRPL"). The ultimate parent of Brookfield Renewable is Brookfield Asset Management Inc. ("Brookfield Asset Management"). Brookfield Asset Management and its subsidiaries, other than Brookfield Renewable, are also individually and collectively referred to as "Brookfield" in these financial statements.

Brookfield Renewable's non-voting limited partnership units ("LP Units") are traded under the symbol "BEP" on the New York Stock Exchange and under the symbol "BEP.UN" on the Toronto Stock Exchange. Brookfield Renewable's Class A Series 5, Series 7, Series 9, Series 11, Series 13, and Series 15 preferred limited partners' equity are traded under the symbols "BEP.PR.E", "BEP.PR.G", "BEP.PR.I", "BEP.PR.K", "BEP.PR.M" and "BEP.PR.O" respectively, on the Toronto Stock Exchange.

Notes to consolidated financial statements Page

GENERAL APPLICATION

1.	Basis of preparation and significant accounting policies	49
2.	Acquisitions	52
3.	Disposal of assets	53
4.	Assets held for sale	54
5.	Risk management and financial instruments	55
6.	Segmented information	58

CONSOLIDATED RESULTS OF OPERATIONS

7.	Income taxes	64
----	--------------	----

CONSOLIDATED FINANCIAL POSITION

8.	Property, plant and equipment	64
9.	Borrowings	65
10.	Non-controlling interests	67
11.	Preferred limited partners' equity	70
12.	Limited partners' equity	70
13.	Equity-accounted investments	71
14.	Cash and cash equivalents	72
15.	Restricted cash	72
16.	Trade receivables and other current assets	72
17.	Accounts payable and accrued liabilities	72
18.	Commitments, contingencies and guarantees	73

OTHER

19.	Related party transactions	74
20.	Subsidiary public issuers	75
21.	Subsequent events	76

1. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

The interim consolidated financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting.

Certain information and footnote disclosures normally included in the annual audited consolidated financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”), have been omitted or condensed. These interim consolidated financial statements should be read in conjunction with Brookfield Renewable’s December 31, 2018 audited consolidated financial statements. Except for the recently adopted IFRS 16, Leases (“IFRS 16”) and the early adopted amendment to IFRS 3, Business combinations (“IFRS 3”), the interim consolidated statements have been prepared on a basis consistent with the accounting policies disclosed in the December 31, 2018 audited consolidated financial statements.

The interim consolidated financial statements are unaudited and reflect adjustments (consisting of normal recurring adjustments) that are, in the opinion of management, necessary to provide a fair statement of results for the interim periods in accordance with IFRS.

The results reported in these interim consolidated financial statements should not be regarded as necessarily indicative of results that may be expected for an entire year. The policies set out below are consistently applied to all periods presented, unless otherwise noted.

These consolidated financial statements have been authorized for issuance by the Board of Directors of Brookfield Renewable’s general partner, BRPL, on November 11, 2019.

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

References to \$, C\$, €, R\$, COP, INR, ZAR, CNY are to United States (“U.S.”) dollars, Canadian dollars, Euros, Brazilian reais, Colombian pesos, Indian Rupees, South African Rand and Chinese Yuan, respectively.

All figures are presented in millions of U.S. dollars unless otherwise noted.

(b) Basis of preparation

The interim consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of property, plant and equipment and certain assets and liabilities which have been measured at fair value. Cost is recorded based on the fair value of the consideration given in exchange for assets.

Consolidation

These interim consolidated financial statements include the accounts of Brookfield Renewable and its subsidiaries, which are the entities over which Brookfield Renewable has control. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Non-controlling interests in the equity of Brookfield Renewable’s subsidiaries are shown separately in equity in the interim consolidated statements of financial position.

(c) Changes to lease accounting policy

Brookfield Renewable has applied IFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17 – Leases (“IAS 17”) and IFRIC 4 – Determining Whether an Arrangement Contains a Lease (“IFRIC 4”). The details of accounting policies under IAS 17 and IFRIC 4 are disclosed separately if they are different from those under IFRS 16 and the impact of changes is disclosed in Note 1(d).

Policy applicable from January 1, 2019

At inception of a contract, Brookfield Renewable assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, Brookfield Renewable assesses whether:

- the contract specified explicitly or implicitly the use of an identified asset, and that is physically distinct or represents substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;

- Brookfield Renewable has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- Brookfield Renewable has the right to direct the use of the asset. Brookfield Renewable has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decisions about how and for what purpose the asset is used are predetermined, Brookfield Renewable has the right to direct the use of the asset if either:
 - Brookfield Renewable has the right to operate the asset; or
 - Brookfield Renewable designed the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to contracts entered into, or changed, on or after January 1, 2019.

At inception or on reassessment of a contract that contains a lease component, Brookfield Renewable allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, Brookfield Renewable has elected not to separate non-lease components and, therefore, accounts for the lease and non-lease components as a single lease component.

Accounting as a lessee under IFRS 16

Brookfield Renewable recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful lives of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, Brookfield Renewable's incremental borrowing rate. Generally, Brookfield Renewable uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that Brookfield Renewable is reasonably certain to exercise, lease payments in an optional renewable period if Brookfield Renewable is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless Brookfield Renewable is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in Brookfield Renewable's estimate of the amount expected to be payable under a residual value guarantee, or if Brookfield Renewable changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made either to the carrying amount of the right-of-use asset or, when the adjustment is a reduction to the right-of-use asset, is recorded in the consolidated statements of income if the carrying amount of the right-of-use asset has been reduced to zero.

Brookfield Renewable presents right-of-use assets in Property, plant and equipment and lease liabilities in Other long-term liabilities in the consolidated statement of financial position as at September 30, 2019.

Short-term leases and leases of low-value assets

Brookfield Renewable has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of twelve months or less and leases of low-value assets. Brookfield Renewable recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Policy applicable before January 1, 2019

For contracts entered into before January 1, 2019, Brookfield Renewable determined whether that arrangement was or contained a lease based on the assessment of whether:

- Fulfillment of the arrangement was dependent on the use of a specific asset or assets; and
- The arrangement had conveyed a right to use the asset. An arrangement conveyed a right to use the asset if one of the following was met:
 - The purchaser had the ability or right to operate the asset while obtaining or controlling more than an insignificant amount of the output;
 - The purchaser had the ability or right to control physical access to the asset while obtaining or controlling more than an insignificant amount of the output; or
 - Facts and circumstances indicated that it was remote that other parties would take more than an insignificant amount of the output, and the price per unit was neither fixed per unit of output nor equal to the market price per unit of output.

Accounting as a lessee under IAS 17

In the comparative period, as a lessee Brookfield Renewable classified leases that transfer substantially all of the risks and rewards of ownership as finance leases. When this was the case, the lease assets were measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Minimum lease payments were the payments over the lease term that the lessee was required to make, excluding any contingent rent.

Subsequently, the assets were accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases were classified as operating leases and were not recognized in Brookfield Renewable's consolidated statements of financial position. Payments made under operating leases were recognized in the consolidated statements of income on a straight-line basis over the term of the lease. Lease incentives received were recognized as an integral part of the total lease expense, over the term of the lease.

(d) Recently adopted accounting standards

Except for the changes below, Brookfield Renewable has consistently applied the accounting policies to all periods presented in these consolidated financial statements.

IFRS 3 – Business Combinations

In October 2018, the IASB issued an amendment to IFRS 3, effective for annual periods beginning on or after January 1, 2020 with early adoption permitted. The amendment clarifies that a business must include, at minimum, an input and a substantive process that together contribute to the ability to create outputs, and assists companies in determining whether an acquisition is a business combination or an acquisition of a group of assets by providing supplemental guidance for assessing whether an acquired process is substantive. Brookfield Renewable has decided to early adopt the amendments to IFRS 3 effective January 1, 2019 and shall apply the amended standard in assessing business combinations on a prospective basis. For acquisitions that are determined to be acquisitions of assets as opposed to business combinations, Brookfield Renewable will allocate the transaction price and transaction costs to the individual identified assets acquired and liabilities assumed on the basis of their relative fair values, and no goodwill will be recognized. Acquisitions that continue to meet the definition of a business combination will be accounted for under the acquisition method, without any changes to Brookfield Renewable's accounting policy.

IFRS 16 – Leases

On January 1, 2019 Brookfield Renewable adopted IFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognized in retained earnings at that date. As a result, Brookfield Renewable has changed its accounting policy for lease contracts as detailed below.

Definition of a lease

Previously, Brookfield Renewable determined at contract inception whether an arrangement is or contains a lease under IFRIC 4. Under IFRS 16, Brookfield Renewable assesses whether a contract is or contains a lease based on the definition of a lease, as explained in Note 1(c).

On transition to IFRS 16, Brookfield Renewable elected to apply the practical expedient to grandfather the assessment of which transactions are leases. Brookfield Renewable applied IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under IAS 17 and IFRIC 4 were not reassessed to determine whether there is a lease. Therefore, the definition of a lease under IFRS 16 was applied only to contracts entered into or changed on or after January 1, 2019.

Leases classified as operating leases under IAS 17

At transition, lease liabilities were measured at the present value of the remaining lease payments, discounted at Brookfield Renewable's incremental borrowing rate as at January 1, 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

Brookfield Renewable used the following practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17:

- Applied the exemption not to recognize right-of-use asset and liabilities for leases with less than twelve months of lease term; and
- Excluded initial direct costs from measuring the right-of-use asset at the date of initial application.

Leases classified as finance leases under IAS 17

For leases that were classified as finance leases under IAS 17, the carrying amount of the right-of-use asset and the lease liability at January 1, 2019 are determined at the carrying amount of the lease asset and lease liability under IAS 17 immediately before that date.

Impacts on financial statements

On transition to IFRS 16, Brookfield Renewable recognized an additional \$145 million of right-of-use assets and \$147 million of lease liabilities, recognizing the difference in retained earnings.

When measuring lease liabilities, Brookfield Renewable discounted lease payments using its incremental borrowing rate at January 1, 2019. The weighted-average rate applied was 5.5%. The difference between the operating lease commitments disclosed at December 31, 2018 of \$250 million and leases liabilities recognized at January 1, 2019 of \$147 million is primarily due to the time value of money.

2. ACQUISITIONS

India Wind Portfolio

Brookfield Renewable, along with its institutional partners, completed a transaction in India to acquire a 105 MW operating wind facility on June 7, 2019 and a 105 MW operating wind facility on July 8, 2019 (collectively, the "India Wind Portfolio").

Brookfield Renewable acquired the India Wind Portfolio for a total consideration of INR 4.6 billion (\$67 million), plus a contingent payment expected to be INR 0.8 billion (\$12 million). Brookfield Renewable expects to hold a 25% economic interest. The total acquisition costs of less than \$1 million were expensed as incurred and have been classified under Other in the consolidated statement of income.

Brookfield Renewable has a voting agreement with an affiliate of Brookfield that ultimately controls the India Wind Portfolio. Pursuant to this voting agreement, Brookfield Renewable is entitled to direct the election of the directors of the Brookfield affiliate that ultimately controls and operates the India Wind Portfolio.

This investment was accounted for using the acquisition method, and the results of operations have been included in the unaudited interim consolidated financial statements since the date of the acquisition. If the acquisition had taken place at the beginning of the year, the revenue from India Wind Portfolio would have been \$34 million for the nine months ended September 30, 2019.

China Wind Facility

On September 30, 2019, Brookfield Renewable, along with its institutional partners, completed the acquisition of a 200 MW operating wind facility in China ("China Wind Facility") for a total consideration of CNY 1,140 million (\$160 million). Brookfield Renewable expects to hold a 25% economic interest. The total acquisition costs of less than \$1 million were expensed as incurred and have been classified under Other in the consolidated statement of income.

Brookfield Renewable has a voting agreement with an affiliate of Brookfield that ultimately controls the China Wind Facility. Pursuant to this voting agreement, Brookfield Renewable is entitled to direct the election of the directors of the Brookfield affiliate that ultimately controls and operates the China Wind Facility.

This investment was accounted for using the acquisition method, and the results of operations have been included in the unaudited interim consolidated financial statements since the date of the acquisition. If the acquisition had taken place at the beginning of the year, the revenue from the China Wind Facility would have been \$30 million for the for the nine months ended September 30, 2019.

The purchase price allocation, at fair value, with respect to the acquisitions are as follows:

(MILLIONS)	<u>India Wind</u>	<u>China Wind</u>	<u>Total</u>
Restricted cash	\$ 4	\$ 2	\$ 6
Trade receivables and other current assets	14	51	65
Property, plant and equipment	243	307	550
Other non-current assets	10	—	10
Current liabilities	(1)	(23)	(24)
Current portion of non-recourse borrowings	(12)	(18)	(30)
Financial instruments	(4)	—	(4)
Non-recourse borrowings	(158)	(131)	(289)
Deferred income tax liabilities	(8)	(28)	(36)
Other long-term liabilities	(9)	—	(9)
Fair value of net assets acquired	<u>\$ 79</u>	<u>\$ 160</u>	<u>\$ 239</u>

3. DISPOSAL OF ASSETS

In May and August 2019, Brookfield Renewable, along with its institutional partners, completed the partial sale of its South African Portfolio, corresponding to 146 MW of wind and solar assets. The total consideration was ZAR 1,651 million (\$112 million). This resulted in a loss on disposition of \$8 million recognized in the consolidated statements of income under Other. The total proceeds, net of foreign exchange contract settlements, was \$135 million (\$42 million net to Brookfield Renewable). Immediately prior to the classification of the portfolio as held for sale in 2018, Brookfield Renewable performed a revaluation of the property, plant and equipment and recorded a fair value uplift of \$42 million, in line with its election to apply the revaluation method. Brookfield Renewable's interest in the portfolio was approximately 31%. As a result of the disposition, Brookfield Renewable's portion of the accumulated revaluation surplus of \$13 million post-tax was reclassified from other comprehensive income directly to equity and noted as an Other item in the consolidated statements of changes in equity.

Summarized financial information relating to the disposal of the South Africa portfolio is shown below:

(MILLIONS)	<u>South Africa</u>
Proceeds	\$ 112
Carrying value of net assets held for sale	
Assets	616
Liabilities	(410)
Non-controlling interests	(86)
	<u>120</u>
Loss on disposal	<u>\$ (8)</u>

4. ASSETS HELD FOR SALE

As at September 30, 2019, assets held for sale within Brookfield Renewable's operating segments include portfolios of wind and solar assets in Thailand, Malaysia, South Africa, Northern Ireland and Portugal.

The following is a summary of the major items of assets and liabilities classified as held for sale:

(MILLIONS)	September 30, 2019	December 31, 2018
Assets		
Cash and cash equivalents	\$ 19	\$ 8
Restricted cash	20	47
Trade receivables and other current assets	24	28
Property, plant and equipment	716	749
Goodwill	—	22
Other long-term assets	3	66
Assets held for sale	<u>\$ 782</u>	<u>\$ 920</u>
Liabilities		
Current liabilities	\$ 15	\$ 23
Long-term debt	255	360
Other long-term liabilities	115	150
Liabilities directly associated with assets held for sale	<u>\$ 385</u>	<u>\$ 533</u>

Northern Ireland Portfolio

The proportionate amount of consideration attributable to the institutional partners upon the closing of the transaction approximates their economic interest in the Northern Ireland Portfolio. The carrying amounts of the assets and directly associated liabilities classified as held for sale are \$239 million and \$140 million, respectively, as at September 30, 2019. These carrying amounts have been presented separately in the consolidated statement of financial position. A revaluation of the Northern Ireland Portfolio was performed in accordance with Brookfield Renewable's accounting policy election to apply the revaluation method.

Portugal Portfolio

The proportionate amount of consideration attributable to the institutional partners upon the closing of the transaction approximates their economic interest in the Portugal Portfolio. The carrying amounts of the assets and directly associated liabilities classified as held for sale are \$212 million and \$130 million, respectively, as at September 30, 2019. These carrying amounts have been presented separately in the consolidated statement of financial position. A revaluation of the Portugal Portfolio was performed in accordance with Brookfield Renewable's accounting policy election to apply the revaluation method.

Completed Asset Sales

In May and August 2019, Brookfield Renewable, along with its institutional partners, completed the partial sale of its South African portfolio, corresponding to 146 MW of wind and solar assets. See Note 3 - Disposal of assets.

Subsequent to quarter-end, Brookfield Renewable completed the sale of a wind portfolio in Northern Ireland and a wind portfolio in Portugal for total proceeds of \$186 million (\$74 million net to Brookfield Renewable).

5. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

RISK MANAGEMENT

Brookfield Renewable's activities expose it to a variety of financial risks, including market risk (i.e., commodity price risk, interest rate risk, and foreign currency risk), credit risk and liquidity risk. Brookfield Renewable uses financial instruments primarily to manage these risks.

There have been no material changes in exposure to these risks since the December 31, 2018 audited consolidated financial statements.

Fair value disclosures

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair values determined using valuation models require the use of assumptions concerning the amount and timing of estimated future cash flows and discount rates. In determining those assumptions, management looks primarily to external readily observable market inputs such as interest rate yield curves, currency rates, commodity prices and, as applicable, credit spreads.

A fair value measurement of a non-financial asset is the consideration that would be received in an orderly transaction between market participants, considering the highest and best use of the asset.

Assets and liabilities measured at fair value are categorized into one of three hierarchy levels, described below. Each level is based on the transparency of the inputs used to measure the fair values of assets and liabilities.

Level 1 - inputs are based on unadjusted quoted prices in active markets for identical assets and liabilities;

Level 2 - inputs, other than quoted prices in Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 - inputs for the asset or liability that are not based on observable market data.

The following table presents Brookfield Renewable's assets and liabilities measured and disclosed at fair value classified by the fair value hierarchy:

(MILLIONS)	September 30, 2019				December 31, 2018	
	Level 1	Level 2	Level 3	Total	Total	
Assets measured at fair value:						
Cash and cash equivalents	\$ 209	\$ —	\$ —	\$ 209	\$	173
Restricted cash ⁽¹⁾	209	—	—	209		181
Financial instrument assets ⁽²⁾						
Energy derivative contracts	—	45	—	45		3
Interest rate swaps	—	1	—	1		9
Foreign exchange swaps	—	45	—	45		55
Investments in equity securities	72	63	46	181		117
Property, plant and equipment	—	—	28,350	28,350		29,025
Liabilities measured at fair value:						
Financial instrument liabilities ⁽³⁾						
Energy derivative contracts	—	(3)	—	(3)		(22)
Interest rate swaps	—	(155)	—	(155)		(116)
Foreign exchange swaps	—	(9)	—	(9)		—
Contingent consideration ⁽³⁾	—	—	(14)	(14)		(3)
Assets for which fair value is disclosed:						
Equity-accounted investments ⁽⁴⁾	1,143	—	—	1,143		703
Liabilities for which fair value is disclosed:						
Corporate borrowings	(2,237)	(13)	—	(2,250)		(2,367)
Non-recourse borrowing	(412)	(8,867)	—	(9,279)		(8,696)
Total	\$ (1,016)	\$ (8,893)	\$ 28,382	\$ 18,473	\$	19,062

(1) Includes both the current amount and long-term amount included in Other long-term assets.

(2) Includes both current and long-term amounts.

(3) Amount relates to business combinations with obligations lapsing in 2019 to 2024.

(4) The fair value corresponds to Brookfield Renewable's investment in publicly-quoted common shares of TerraForm Power, Inc.

There were no transfers between levels during the nine months ended September 30, 2019.

Financial instruments disclosures

The aggregate amount of Brookfield Renewable's net financial instrument positions are as follows:

(MILLIONS)	September 30, 2019			December 31, 2018	
	Assets	Liabilities	Net Assets (Liabilities)	Net Assets (Liabilities)	
Energy derivative contracts	\$ 45	\$ 3	\$ 42	\$	(19)
Interest rate swaps	1	155	(154)		(107)
Foreign exchange swaps	45	9	36		55
Investments in equity securities	181	—	181		117
Total	272	167	105		46
Less: current portion	75	21	54		33
Long-term portion	\$ 197	\$ 146	\$ 51	\$	13

(a) Energy derivative contracts

Brookfield Renewable has entered into long-term energy derivative contracts primarily to stabilize or eliminate the price risk on the sale of certain future power generation. Certain energy contracts are recorded in Brookfield Renewable's interim consolidated financial statements at an amount equal to fair value, using quoted market prices or, in their absence, a valuation model using both internal and third-party evidence and forecasts.

(b) Interest rate hedges

Brookfield Renewable has entered into interest rate hedge contracts primarily to minimize exposure to interest rate fluctuations on its variable rate debt or to lock in interest rates on future debt refinancing. All interest rate hedge contracts are recorded in the interim consolidated financial statements at fair value.

(c) Foreign exchange swaps

Brookfield Renewable has entered into foreign exchange swaps to minimize its exposure to currency fluctuations impacting its investments and earnings in foreign operations, and to fix the exchange rate on certain anticipated transactions denominated in foreign currencies.

(d) Investments in equity securities

Brookfield Renewable's investments in equity securities consist of investments in publicly-quoted and non-publicly quoted securities which are recorded on the statement of financial position at fair value.

The following table reflects the unrealized gains (losses) included in Foreign exchange and unrealized financial instrument loss in the interim consolidated statements of income:

(MILLIONS)	Three months ended September 30		Nine months ended September 30	
	2019	2018	2019	2018
Energy derivative contracts	\$ (3)	\$ (3)	\$ 9	\$ (1)
Interest rate swaps	(9)	4	(41)	24
Foreign exchange swaps - cash flow	20	10	1	56
Foreign exchange gain (loss)	(18)	(21)	(9)	(114)
	<u>\$ (10)</u>	<u>\$ (10)</u>	<u>\$ (40)</u>	<u>\$ (35)</u>

The following table reflects the gains (losses) included in other comprehensive income in the interim consolidated statements of comprehensive loss:

(MILLIONS)	Three months ended September 30		Nine months ended September 30	
	2019	2018	2019	2018
Energy derivative contracts	\$ (7)	\$ (14)	\$ 31	\$ (11)
Interest rate swaps	(10)	2	(46)	13
	(17)	(12)	(15)	2
Foreign exchange swaps - net investment	21	(11)	22	50
Investments in equity securities	14	10	37	(1)
	<u>\$ 18</u>	<u>\$ (13)</u>	<u>\$ 44</u>	<u>\$ 51</u>

The following table reflects the reclassification adjustments recognized in net income in the interim consolidated statements of comprehensive loss:

(MILLIONS)	Three months ended September 30		Nine months ended September 30	
	2019	2018	2019	2018
Energy derivative contracts	\$ (4)	\$ —	\$ (11)	\$ 8
Interest rate swaps	3	3	10	9
	<u>\$ (1)</u>	<u>\$ 3</u>	<u>\$ (1)</u>	<u>\$ 17</u>

6. SEGMENTED INFORMATION

Brookfield Renewable's Chief Executive Officer and Chief Financial Officer (collectively, the chief operating decision maker or "CODM") review the results of the business, manage operations, and allocate resources based on the type of technology.

Our operations are segmented by – 1) hydroelectric, 2) wind, 3) solar, 4) storage & other (cogeneration and biomass), and 5) corporate – with hydroelectric and wind further segmented by geography (i.e., North America, Colombia, Brazil, Europe and Asia). This best reflects the way in which the CODM reviews results, manages operations and allocates resources. The Colombia segment aggregates the financial results of its hydroelectric and cogeneration facilities. The Canada segment includes the financial results of our strategic investment in TransAlta Corporation ("TransAlta"). The corporate segment represents all activity performed above the individual segments for the business.

Reporting to the CODM on the measures utilized to assess performance and allocate resources is provided on a proportionate basis. Information on a proportionate basis reflects Brookfield Renewable's share from facilities which it accounts for using consolidation and the equity method whereby Brookfield Renewable either controls or exercises significant influence or joint control over the investment, respectively. Proportionate information provides a Unitholder (holders of the GP interest, Redeemable/Exchangeable partnership units, and LP Units) perspective that the CODM considers important when performing internal analyses and making strategic and operating decisions. The CODM also believes that providing proportionate information helps investors understand the impacts of decisions made by management and financial results allocable to Brookfield Renewable's Unitholders.

Proportionate financial information is not, and is not intended to be, presented in accordance with IFRS. Tables reconciling IFRS data with data presented on a proportionate consolidation basis have been disclosed. Segment revenues, other income, direct operating costs, interest expense, depreciation, current and deferred income taxes, and other are items that will differ from results presented in accordance with IFRS as these items include Brookfield Renewable's proportionate share of earnings from equity-accounted investments attributable to each of the above-noted items, and exclude the proportionate share of earnings (loss) of consolidated investments not held by us apportioned to each of the above-noted items.

Brookfield Renewable does not control those entities that have not been consolidated and as such, have been presented as equity-accounted investments in its financial statements. The presentation of the assets and liabilities and revenues and expenses does not represent Brookfield Renewable's legal claim to such items, and the removal of financial statement amounts that are attributable to non-controlling interests does not extinguish Brookfield Renewable's legal claims or exposures to such items.

Brookfield Renewable reports its results in accordance with these segments and presents prior period segmented information in a consistent manner.

In accordance with IFRS 8, Operating Segments, Brookfield Renewable discloses information about its reportable segments based upon the measures used by the CODM in assessing performance. Except as it relates to proportionate financial information discussed above, the accounting policies of the reportable segments are the same as those described in Note 1 – Basis of preparation and significant accounting policies. Brookfield Renewable analyzes the performance of its operating segments based on revenues, Adjusted EBITDA, and Funds From Operations.

Brookfield Renewable uses Adjusted EBITDA to assess the performance of its operations before the effects of interest expense, income taxes, depreciation, management service costs, non-controlling interests, unrealized gain or loss on financial instruments, non-cash gain or loss from equity-accounted investments, distributions to preferred shareholders and preferred limited partners and other typical non-recurring items.

Brookfield Renewable uses Funds From Operations to assess the performance of its operations and is defined as Adjusted EBITDA less management service costs, interest and current income taxes, which is then adjusted for the cash portion of non-controlling interests and distributions to preferred shareholders and preferred limited partners.

The following table provides each segment's results in the format that management organizes its segments to make operating decisions and assess performance and reconciles Brookfield Renewable's proportionate results to the consolidated statements of income on a line by line basis by aggregating the components comprising the earnings from Brookfield Renewable's investments in associates and reflecting the portion of each line item attributable to non-controlling interests for the three months ended September 30, 2019:

(MILLIONS)	Attributable to Unitholders											Contribution from equity-accounted investments	Attributable to non-controlling interests	As per IFRS financials ⁽¹⁾
	Hydroelectric			Wind				Solar	Storage and Other	Corporate	Total			
	North America	Brazil	Colombia	North America	Europe	Brazil	Asia							
Revenues	161	50	56	46	21	11	8	56	21	—	430	(97)	309	642
Other income	2	17	—	—	2	—	—	3	—	4	28	(5)	2	25
Direct operating costs	(68)	(14)	(22)	(14)	(8)	(2)	(1)	(10)	(12)	(6)	(157)	26	(108)	(239)
Share of Adjusted EBITDA from equity-accounted investments	—	—	—	—	—	—	—	—	—	—	—	76	3	79
Adjusted EBITDA	95	53	34	32	15	9	7	49	9	(2)	301	—	206	
Management service costs	—	—	—	—	—	—	—	—	—	(29)	(29)	—	—	(29)
Interest expense - borrowings	(39)	(4)	(9)	(16)	(6)	(2)	(2)	(13)	(3)	(21)	(115)	28	(77)	(164)
Current income taxes	(1)	(3)	(1)	(1)	—	—	—	—	—	—	(6)	3	(7)	(10)
Distributions attributable to														
Preferred limited partners equity	—	—	—	—	—	—	—	—	—	(12)	(12)	—	—	(12)
Preferred equity	—	—	—	—	—	—	—	—	—	(6)	(6)	—	—	(6)
Share of interest and cash taxes from equity-accounted investments	—	—	—	—	—	—	—	—	—	—	—	(31)	2	(29)
Share of Funds From Operations attributable to non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	—	(124)	(124)
Funds From Operations	55	46	24	15	9	7	5	36	6	(70)	133	—	—	
Depreciation	(57)	(22)	(5)	(38)	(11)	(4)	(1)	(13)	(6)	(1)	(158)	35	(77)	(200)
Foreign exchange and unrealized financial instrument loss	(3)	(2)	2	3	(10)	(2)	—	(4)	(1)	3	(14)	8	(4)	(10)
Deferred income tax expense	25	1	(1)	(4)	2	—	—	(1)	—	4	26	1	(4)	23
Other	(20)	(1)	(1)	(2)	3	(4)	(3)	(8)	—	(4)	(40)	5	(3)	(38)
Share of earnings from equity-accounted investments	—	—	—	—	—	—	—	—	—	—	—	(49)	—	(49)
Net loss attributable to non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	—	88	88
Net income (loss) attributable to Unitholders ⁽²⁾	—	22	19	(26)	(7)	(3)	1	10	(1)	(68)	(53)	—	—	(53)

⁽¹⁾ Share of earnings from equity-accounted investments of \$1 million is comprised of amounts found on the share of Adjusted EBITDA, share of interest and cash taxes and share of earnings lines. Net income attributable to participating non-controlling interests - in operating subsidiaries of \$36 million is comprised of amounts found on Share of Funds From Operations attributable to non-controlling interests and Net loss attributable to non-controlling interests.

⁽²⁾ Net income (loss) attributable to Unitholders includes net income (loss) attributable to GP interest, Redeemable/Exchangeable partnership units and LP Units. Total net income (loss) includes amounts attributable to Unitholders, non-controlling interests, preferred limited partners equity and preferred equity.

The following table provides each segment's results in the format that management organizes its segments to make operating decisions and assess performance and reconciles Brookfield Renewable's proportionate results to the consolidated statements of income on a line by line basis by aggregating the components comprising the earnings from Brookfield Renewable's investments in associates and reflecting the portion of each line item attributable to non-controlling interests for the three months ended September 30, 2018:

(MILLIONS)	Attributable to Unitholders											Contribution from equity-accounted investments	Attributable to non-controlling interests	As per IFRS financials ⁽¹⁾
	Hydroelectric			Wind				Solar	Storage and Other	Corporate	Total			
	North America	Brazil	Colombia	North America	Europe	Brazil	Asia							
Revenues	166	53	54	50	17	15	4	58	25	—	442	(100)	332	674
Other income	1	1	—	—	—	—	—	1	—	1	4	(1)	4	7
Direct operating costs	(68)	(16)	(25)	(20)	(8)	(2)	(1)	(13)	(11)	(5)	(169)	31	(119)	(257)
Share of Adjusted EBITDA from equity-accounted investments	—	—	—	—	—	—	—	—	—	—	—	70	—	70
Adjusted EBITDA	99	38	29	30	9	13	3	46	14	(4)	277	—	217	—
Management service costs	—	—	—	—	—	—	—	—	—	(22)	(22)	—	—	(22)
Interest expense - borrowings	(44)	(5)	(9)	(16)	(6)	(2)	(1)	(15)	(3)	(27)	(128)	29	(77)	(176)
Current income taxes	(2)	(2)	—	—	(1)	—	—	—	—	—	(5)	2	(3)	(6)
Distributions attributable to														
Preferred limited partners equity	—	—	—	—	—	—	—	—	—	(10)	(10)	—	—	(10)
Preferred equity	—	—	—	—	—	—	—	—	—	(7)	(7)	—	—	(7)
Share of interest and cash taxes from equity-accounted investments	—	—	—	—	—	—	—	—	—	—	—	(31)	—	(31)
Share of Funds From Operations attributable to non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	—	(137)	(137)
Funds From Operations	53	31	20	14	2	11	2	31	11	(70)	105	—	—	—
Depreciation	(57)	(32)	(4)	(34)	(13)	(3)	—	(11)	(5)	(1)	(160)	32	(64)	(192)
Foreign exchange and unrealized financial instrument loss	(5)	1	—	—	1	(3)	(1)	—	—	1	(6)	—	(4)	(10)
Deferred income tax expense	7	—	(1)	(4)	1	—	—	(1)	—	15	17	3	(9)	11
Other	(1)	2	(4)	(3)	—	—	—	—	(1)	(4)	(11)	(2)	(5)	(18)
Share of earnings from equity-accounted investments	—	—	—	—	—	—	—	—	—	—	—	(33)	—	(33)
Net loss attributable to non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	—	82	82
Net income (loss) attributable to Unitholders ⁽²⁾	<u>(3)</u>	<u>2</u>	<u>11</u>	<u>(27)</u>	<u>(9)</u>	<u>5</u>	<u>1</u>	<u>19</u>	<u>5</u>	<u>(59)</u>	<u>(55)</u>	<u>—</u>	<u>—</u>	<u>(55)</u>

⁽¹⁾ Share of earnings from equity-accounted investments of \$6 million is comprised of amounts found on the share of Adjusted EBITDA, share of interest and cash taxes and share of earnings lines. Net income attributable to participating non-controlling interests - in operating subsidiaries of \$55 million is comprised of amounts found on Share of Funds From Operations attributable to non-controlling interests and Net loss attributable to non-controlling interests.

⁽²⁾ Net income (loss) attributable to Unitholders includes net income (loss) attributable to GP interest, Redeemable/Exchangeable partnership units and LP Units. Total net income (loss) includes amounts attributable to Unitholders, non-controlling interests, preferred limited partners equity and preferred equity.

The following table provides each segment's results in the format that management organizes its segments to make operating decisions and assess performance and reconciles Brookfield Renewable's proportionate results to the consolidated statements of income on a line by line basis by aggregating the components comprising the earnings from Brookfield Renewable's investments in associates and reflecting the portion of each line item attributable to non-controlling interests for the nine months ended September 30, 2019:

(MILLIONS)	Attributable to Unitholders										Total	Contribution from equity-accounted investments	Attributable to non-controlling interests	As per IFRS financials ⁽¹⁾
	Hydroelectric			Wind				Solar	Storage and Other	Corporate				
	North America	Brazil	Colombia	North America	Europe	Brazil	Asia							
Revenues	700	173	174	167	71	27	13	145	66	—	1,536	(286)	1,004	2,254
Other income	11	20	—	2	3	—	—	5	—	8	49	(11)	12	50
Direct operating costs	(210)	(49)	(67)	(49)	(24)	(7)	(3)	(27)	(36)	(17)	(489)	82	(338)	(745)
Share of Adjusted EBITDA from equity-accounted investments	—	—	—	—	—	—	—	—	—	—	—	215	15	230
Adjusted EBITDA	501	144	107	120	50	20	10	123	30	(9)	1,096	—	693	
Management service costs	—	—	—	—	—	—	—	—	—	(73)	(73)	—	—	(73)
Interest expense - borrowings	(119)	(16)	(25)	(51)	(13)	(6)	(3)	(42)	(10)	(70)	(355)	78	(238)	(515)
Current income taxes	(7)	(9)	(7)	(2)	—	(1)	—	—	—	—	(26)	4	(27)	(49)
Distributions attributable to														
Preferred limited partners equity	—	—	—	—	—	—	—	—	—	(33)	(33)	—	—	(33)
Preferred equity	—	—	—	—	—	—	—	—	—	(19)	(19)	—	—	(19)
Share of interest and cash taxes from equity-accounted investments	—	—	—	—	—	—	—	—	—	—	—	(82)	(7)	(89)
Share of Funds From Operations attributable to non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	—	(421)	(421)
Funds From Operations	375	119	75	67	37	13	7	81	20	(204)	590	—	—	
Depreciation	(168)	(66)	(15)	(117)	(34)	(13)	(3)	(41)	(18)	(3)	(478)	104	(226)	(600)
Foreign exchange and unrealized financial instrument loss	—	1	1	2	(19)	(3)	—	—	(2)	(25)	(45)	13	(8)	(40)
Deferred income tax expense	(15)	3	(5)	13	8	—	(1)	15	—	22	40	(35)	(16)	(11)
Other	(46)	(2)	—	(9)	1	1	(1)	(32)	—	(12)	(100)	26	33	(41)
Share of earnings from equity-accounted investments	—	—	—	—	—	—	—	—	—	—	—	(108)	—	(108)
Net loss attributable to non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	—	217	217
Net income (loss) attributable to Unitholders ⁽²⁾	146	55	56	(44)	(7)	(2)	2	23	—	(222)	7	—	—	7

⁽¹⁾ Share of earnings from equity-accounted investments of \$33 million is comprised of amounts found on the share of Adjusted EBITDA, share of interest and cash taxes and share of earnings lines. Net income attributable to participating non-controlling interests - in operating subsidiaries of \$204 million is comprised of amounts found on Share of Funds From Operations attributable to non-controlling interests and Net Income attributable to non-controlling interests.

⁽²⁾ Net income (loss) attributable to Unitholders includes net income (loss) attributable to GP interest, Redeemable/Exchangeable partnership units and LP Units. Total net income (loss) includes amounts attributable to Unitholders, non-controlling interests, preferred limited partners equity and preferred equity.

The following table provides each segment's results in the format that management organizes its segments to make operating decisions and assess performance and reconciles Brookfield Renewable's proportionate results to the consolidated statements of income on a line by line basis by aggregating the components comprising the earnings from Brookfield Renewable's investments in associates and reflecting the portion of each line item attributable to non-controlling interests for the nine months ended September 30, 2018:

(MILLIONS)	Attributable to Unitholders										Total	Contribution from equity accounted investments	Attributable to non-controlling interests	As per IFRS financials ⁽¹⁾
	Hydroelectric			Wind				Solar	Storage and Other	Corporate				
	North America	Brazil	Colombia	North America	Europe	Brazil	Asia							
Revenues	655	185	160	158	46	33	9	106	62	—	1,414	(197)	985	2,202
Other income	6	3	1	1	1	—	—	4	—	2	18	(5)	13	26
Direct operating costs	(206)	(55)	(70)	(50)	(20)	(7)	(3)	(23)	(29)	(17)	(480)	63	(343)	(760)
Share of Adjusted EBITDA from equity accounted investments	—	—	—	—	—	—	—	—	—	—	—	139	12	151
Adjusted EBITDA	455	133	91	109	27	26	6	87	33	(15)	952	—	667	
Management service costs	—	—	—	—	—	—	—	—	—	(64)	(64)	—	—	(64)
Interest expense - borrowings	(128)	(17)	(29)	(44)	(12)	(6)	(3)	(30)	(10)	(75)	(354)	54	(234)	(534)
Current income taxes	(5)	(7)	—	(1)	(2)	—	—	—	—	—	(15)	3	(8)	(20)
Distributions attributable to														
Preferred limited partners equity	—	—	—	—	—	—	—	—	—	(29)	(29)	—	—	(29)
Preferred equity	—	—	—	—	—	—	—	—	—	(20)	(20)	—	—	(20)
Share of interest and cash taxes from equity accounted investments	—	—	—	—	—	—	—	—	—	—	—	(57)	(10)	(67)
Share of Funds From Operations attributable to non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	—	(415)	(415)
Funds From Operations	322	109	62	64	13	20	3	57	23	(203)	470	—	—	
Depreciation	(170)	(103)	(14)	(89)	(30)	(10)	(2)	(24)	(17)	(1)	(460)	61	(212)	(611)
Foreign exchange and unrealized financial instrument loss	(4)	—	1	3	6	(11)	(2)	(3)	(2)	14	2	(6)	(31)	(35)
Deferred income tax expense	1	1	(4)	(9)	2	—	—	(1)	—	24	14	2	(18)	(2)
Other	(19)	(2)	(4)	(8)	(3)	—	(2)	(10)	(10)	(17)	(75)	15	(12)	(72)
Share of earnings from equity accounted investments	—	—	—	—	—	—	—	—	—	—	—	(72)	—	(72)
Net loss attributable to non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	—	273	273
Net income (loss) attributable to Unitholders ⁽²⁾	130	5	41	(39)	(12)	(1)	(3)	19	(6)	(183)	(49)	—	—	(49)

⁽¹⁾ Share of loss from equity-accounted investments of \$12 million is comprised of amounts found on the share of Adjusted EBITDA, share of interest and cash taxes and share of earnings lines. Net income attributable to participating non-controlling interests - in operating subsidiaries of \$142 million is comprised of amounts found on Share of Funds From Operations attributable to non-controlling interests and Net Income attributable to non-controlling interests.

⁽²⁾ Net income (loss) attributable to Unitholders includes net income (loss) attributable to GP interest, Redeemable/Exchangeable partnership units and LP Units. Total net income (loss) includes amounts attributable to Unitholders, non-controlling interests, preferred limited partners equity and preferred equity.

The following table presents information on a segmented basis about certain items in Brookfield Renewable's statements of financial position:

(MILLIONS)	Attributable to Unitholders											Contribution from equity accounted investments	Attributable to non-controlling interests	As per IFRS financials	
	Hydroelectric			Wind				Solar	Storage and Other	Corporate	Total				
	North America	Brazil	Colombia	North America	Europe	Brazil	Asia								
As at September 30, 2019															
Cash and cash equivalents	\$ 14	\$ 13	\$ 26	\$ 24	\$ 25	\$ 3	\$ 4	\$ 43	\$ 6	\$ —	\$ 158	\$ (76)	\$ 127	\$ 209	
Property, plant and equipment	11,075	1,737	1,502	2,449	624	313	189	1,547	669	—	20,105	(3,688)	11,933	28,350	
Total assets	11,793	1,903	1,762	2,579	912	335	230	1,751	714	128	22,107	(2,681)	14,009	33,435	
Total borrowings	2,899	177	437	1,278	312	72	136	1,151	231	2,128	8,821	(2,131)	3,935	10,625	
Other liabilities	2,823	135	414	476	217	8	62	343	27	—	4,505	(549)	2,456	6,412	
For the nine months ended September 30, 2019:															
Additions to property, plant and equipment	78	26	11	109	16	3	—	—	17	2	262	(104)	105	263	
As at December 31, 2018															
Cash and cash equivalents	\$ 6	\$ 37	\$ 7	\$ 30	\$ 29	\$ 5	\$ 2	\$ 41	\$ 9	\$ 3	\$ 169	\$ (81)	\$ 85	\$ 173	
Property, plant and equipment	11,498	1,907	1,609	2,480	819	348	36	1,354	686	(9)	20,728	(3,529)	11,826	29,025	
Total assets	12,125	2,105	1,868	2,554	939	379	56	1,650	746	161	22,583	(2,483)	14,003	34,103	
Total borrowings	2,995	198	419	1,210	463	75	31	1,021	249	2,328	8,989	(1,972)	3,701	10,718	
Other liabilities	2,764	150	434	536	124	7	3	255	31	211	4,515	(511)	2,175	6,179	
For the nine months ended September 30, 2018:															
Additions to property, plant and equipment	55	22	4	9	10	—	—	9	2	6	117	(15)	56	158	

Geographical Information

The following table presents consolidated revenue split by geographical region for the three and nine months ended September 30:

(MILLIONS)	Three months ended September 30		Nine months ended September 30	
	2019	2018	2019	2018
United States	\$ 177	\$ 196	\$ 719	\$ 691
Colombia	230	222	718	664
Canada	64	76	299	302
Brazil	98	119	297	328
Europe	25	19	94	87
Asia	48	42	127	130
	<u>\$ 642</u>	<u>\$ 674</u>	<u>\$ 2,254</u>	<u>\$ 2,202</u>

The following table presents consolidated property, plant and equipment and equity-accounted investments split by geographical region:

(MILLIONS)	Sep 30, 2019	Dec 31, 2018
United States	\$ 12,651	\$ 12,705
Colombia	6,234	6,665
Canada	5,759	5,705
Brazil	3,223	3,553
Europe	1,152	1,624
Asia	867	342
	<u>\$ 29,886</u>	<u>\$ 30,594</u>

7. INCOME TAXES

Brookfield Renewable's effective income tax rate was 18.6% for the nine months ended September 30, 2019 (2018: 13.5%). The effective tax rate is different than the statutory rate primarily due to rate differentials and non-controlling interests' income not subject to tax.

8. PROPERTY, PLANT AND EQUIPMENT

The following table presents a reconciliation of property, plant and equipment at fair value:

(MILLIONS)	Notes	Hydro	Wind	Solar	Other ⁽¹⁾	Total ⁽²⁾
As at December 31, 2018		\$ 24,679	\$ 3,860	\$ 228	\$ 258	\$ 29,025
IFRS 16 adoption ⁽³⁾	1	79	62	—	4	145
Additions		99	16	—	3	118
Acquisitions through business combinations	2	—	550	—	—	550
Transfer to assets held for sale	4	—	(428)	—	—	(428)
Items recognized through OCI						
Change in fair value		—	83	—	—	83
Foreign currency translation		(418)	(107)	(3)	(15)	(543)
Items recognized through net income						
Depreciation		(392)	(184)	(11)	(13)	(600)
As at September 30, 2019		<u>\$ 24,047</u>	<u>\$ 3,852</u>	<u>\$ 214</u>	<u>\$ 237</u>	<u>\$ 28,350</u>

⁽¹⁾ Includes storage, biomass and cogeneration.

⁽²⁾ Includes intangible assets of \$10 million (2018: \$11 million) and assets under construction of \$382 million (2018: \$388 million).

⁽³⁾ On January 1, 2019 Brookfield Renewable adopted IFRS 16. See Note 1 - Basis of preparation and significant accounting policies for additional details regarding the impact of the new accounting standard adoption.

9. BORROWINGS

Corporate Borrowings

The composition of corporate borrowings are presented in the following table:

(MILLIONS EXCEPT AS NOTED)	September 30, 2019				December 31, 2018			
	Weighted-average		Carrying value	Estimated fair value	Weighted- average		Carrying value	Estimated fair value
	Interest rate (%)	Term (years)			Interest rate (%)	Term (years)		
Credit facilities	3.6	5	\$ 13	\$ 13	3.3	4	\$ 721	\$ 721
Medium Term Notes:								
Series 4 (C\$150)	5.8	17	113	\$ 138	5.8	18	\$ 110	\$ 124
Series 7 (C\$450)	5.1	1	340	350	5.1	2	330	342
Series 8 (C\$400)	4.8	2	302	319	4.8	3	293	309
Series 9 (C\$400)	3.8	6	302	317	3.8	6	293	288
Series 10 (C\$500)	3.6	7	377	395	3.6	8	367	357
Series 11 (C\$300)	4.3	9	227	246	4.3	10	220	220
Series 12 (C\$300)	3.4	10	227	229	—	—	—	—
Series 13 (C\$300)	4.3	30	227	232	—	—	—	—
	<u>4.3</u>	<u>9</u>	<u>\$ 2,115</u>	<u>\$ 2,226</u>	<u>4.4</u>	<u>7</u>	<u>\$ 1,613</u>	<u>\$ 1,640</u>
Total corporate borrowings			2,128	2,239			2,334	2,361
Less: Unamortized financing fees ⁽¹⁾			(9)				(6)	
			<u>\$ 2,119</u>				<u>\$ 2,328</u>	

⁽¹⁾ Unamortized premiums and unamortized financing fees are amortized over the terms of the borrowing.

Brookfield Renewable issues letters of credit from its corporate credit facilities for general corporate purposes which include, but are not limited to, security deposits, performance bonds and guarantees for reserve accounts.

Brookfield Renewable and its subsidiaries issue letters of credit from some of their credit facilities for general corporate and operating purposes which include, but are not limited to, security deposits, performance bonds and guarantees for debt service reserve accounts. See Note 18 – Commitments, contingencies and guarantees for letters of credit issued by subsidiaries.

The following table summarizes the available portion of credit facilities:

(MILLIONS)	September 30, 2019	December 31, 2018
Authorized corporate credit facilities ⁽¹⁾	\$ 2,100	\$ 2,100
Draws on corporate credit facilities ⁽¹⁾	(13)	(721)
Authorized letter of credit facility	400	300
Issued letters of credit	(219)	(209)
Available portion of corporate credit facilities	<u>\$ 2,268</u>	<u>\$ 1,470</u>

⁽¹⁾ Amounts are guaranteed by Brookfield Renewable.

On June 12, 2019, Brookfield Renewable extended the maturity of \$1.7 billion of its corporate credit facilities by one year to June 30, 2024. The credit facilities are used for general working capital purposes and issuing letters of credit. The credit facilities bear interest at the applicable base rate plus an applicable margin, which is tiered on the basis of Brookfield Renewable's unsecured senior long-term debt rating and is currently 1.20% as at September 30, 2019.

In June 2019, Brookfield Renewable increased its letter of credit facility by \$100 million to a total of \$400 million.

Medium term notes

Medium term notes are obligations of a finance subsidiary of Brookfield Renewable, Brookfield Renewable Partners ULC ("Finco") (Note 20 - Subsidiary public issuers). Finco may redeem some or all of the borrowings from time to time, pursuant to the terms of the indenture. The balance is payable upon maturity, and interest on corporate borrowings is paid semi-annually. The term notes payable by Finco are unconditionally guaranteed by Brookfield Renewable, Brookfield Renewable Energy L.P. ("BRELP") and certain other subsidiaries.

On September 13, 2019, Brookfield Renewable completed the issuance of C\$300 million (\$227 million) Series 12 medium term notes and C\$300 million (\$227 million) Series 13 medium term notes. The medium term notes have fixed interest rates of 3.38% and 4.29%, respectively, and have maturity dates of January 2030 and November 2049, respectively. Both series were corporate-level green bonds.

Subsequent to quarter-end, Brookfield Renewable repaid C\$450 million (\$340 million) of Series 7 medium-term notes.

Non-recourse borrowings

Non-recourse borrowings are typically asset-specific, long-term, non-recourse borrowings denominated in the domestic currency of the subsidiary. Non-recourse borrowings in North America and Europe consist of both fixed and floating interest rate debt indexed to the London Interbank Offered Rate ("LIBOR"), the Euro Interbank Offered Rate ("EURIBOR") and the Canadian Dollar Offered Rate ("CDOR"). Brookfield Renewable uses interest rate swap agreements in North America and Europe to minimize its exposure to floating interest rates. Non-recourse borrowings in Brazil consist of floating interest rates of Taxa de Juros de Longo Prazo ("TJLP"), the Brazil National Bank for Economic Development's long-term interest rate, or Interbank Deposit Certificate rate ("CDI"), plus a margin. Non-recourse borrowings in Colombia consist of both fixed and floating interest rates indexed to Indicador Bancario de Referencia rate (IBR), the Banco Central de Colombia short-term interest rate, and Colombian Consumer Price Index (IPC), Colombia inflation rate, plus a margin. Non-recourse borrowings in India consist of fixed interest rate debt. Non-recourse borrowings in China consist of floating interest rates of People's Bank of China ("PBOC").

The composition of non-recourse borrowings is presented in the following table:

(MILLIONS EXCEPT AS NOTED)	September 30, 2019				December 31, 2018			
	Weighted-average		Carrying value	Estimated fair value	Weighted-average		Carrying value	Estimated fair value
	Interest rate (%)	Term (years)			Interest rate (%)	Term (years)		
Non-recourse borrowings								
Hydroelectric	6.0	9	\$ 6,354	\$ 6,939	6.1	9	\$ 6,318	\$ 6,517
Wind	5.3	11	1,974	2,099	4.7	11	1,914	1,957
Solar	5.9	6	146	150	6.0	7	142	133
Storage and other	4.0	4	88	91	4.1	5	91	95
Total	<u>5.8</u>	<u>9</u>	<u>\$ 8,562</u>	<u>\$ 9,279</u>	<u>5.7</u>	<u>10</u>	<u>\$ 8,465</u>	<u>\$ 8,702</u>
Add: Unamortized premiums ⁽¹⁾			9				1	
Less: Unamortized financing fees ⁽¹⁾			(65)				(76)	
Less: Current portion			(384)				(495)	
			<u>\$ 8,122</u>				<u>\$ 7,895</u>	

⁽¹⁾ Unamortized premiums and unamortized financing fees are amortized over the terms of the borrowing.

On February 25, 2019, Brookfield Renewable completed a C\$70 million (\$53 million) non-recourse financing associated with a 20 MW hydroelectric facility in Ontario. The debt bears an interest rate of 4.13% and matures in 2045.

On June 6, 2019, Brookfield Renewable completed a bond financing associated with the Colombian business. The financing consisted of COP 1.1 trillion (\$333 million) in senior unsecured bonds with maturities of 4, 8, 15 and 30 years at rates of 6.09%, 6.98%, IPC + 3.68% and IPC + 3.97%, respectively.

On June 14, 2019, Brookfield Renewable completed a refinancing of €325 million (\$365 million) of debt associated with the European business. The amortizing debt, including associated swaps, bears a fixed interest rate of 3.18% and matures in December 2032.

On June 21, 2019, Brookfield Renewable completed a refinancing of \$30 million associated with a hydroelectric portfolio in the United States. The debt bears a fixed rate of 3.42% and matures in January 2022.

On August 15, 2019, Brookfield Renewable completed a refinancing of \$45 million associated with the United States hydroelectric business. The debt bears interest at the applicable base rate plus a margin of 2.75% and matures in September 2022.

10. NON-CONTROLLING INTERESTS

Brookfield Renewable's non-controlling interests are comprised of the following:

(MILLIONS)	<u>September 30, 2019</u>	<u>December 31, 2018</u>
Participating non-controlling interests - in operating subsidiaries	\$ 7,841	\$ 8,129
General partnership interest in a holding subsidiary held by Brookfield	61	66
Participating non-controlling interests - in a holding subsidiary - Redeemable/ Exchangeable units held by Brookfield	2,974	3,252
Preferred equity	585	568
	<u>\$ 11,461</u>	<u>\$ 12,015</u>

On February 24, 2019, Brookfield Renewable completed the sale of an additional 25% non-controlling, indirect interest in a portfolio of select Canadian hydroelectric assets to a consortium of buyers. This sale was for the same price as our initial 25% non-controlling interest sale of this portfolio disclosed in Note 31 of our 2018 annual audited consolidated financial statements, subject to an adjustment for dividend recapitalization completed in the fourth quarter of 2018. Cash consideration of C\$331 million was received from the non-controlling shareholders on February 28, 2019. Upon completion of the sale, Brookfield Renewable recognized a \$4 million gain directly in equity.

Subsequent to completion of the sale, Brookfield Renewable has continued to control and operate the assets and maintains a 50% economic interest in the portfolio.

Participating non-controlling interests -in operating subsidiaries

The net change in participating non-controlling interests - in operating subsidiaries is as follows:

(MILLIONS)	Brookfield Americas Infrastructure Fund	Brookfield Infrastructure Fund II	Brookfield Infrastructure Fund III	Brookfield Infrastructure Fund IV	Canadian Hydroelectric Portfolio	The Catalyst Group	Isagen institutional investors	Isagen public non- controlling interests	Other	Total
As at December 31, 2017	\$ 850	\$ 1,682	\$ 1,852	\$ —	\$ —	\$ 134	\$ 1,701	\$ 9	\$ 70	\$ 6,298
Net income	1	9	86	—	4	14	174	1	8	297
OCI	66	298	805	—	(11)	(18)	504	5	58	1,707
Capital contributions	—	9	5	—	293	—	—	—	—	307
Acquisition	—	—	—	—	—	—	—	—	21	21
Distributions	(17)	(81)	(276)	—	—	(6)	(167)	—	(6)	(553)
Other	—	12	(3)	—	(10)	—	—	—	53	52
As at December 31, 2018	\$ 900	\$ 1,929	\$ 2,469	\$ —	\$ 276	\$ 124	\$ 2,212	\$ 15	\$ 204	\$ 8,129
Net income (loss)	4	(13)	52	3	15	18	118	—	7	204
OCI	(10)	11	(89)	(1)	6	—	(140)	(1)	(1)	(225)
Capital contributions	—	—	2	64	269	—	—	(2)	—	333
Disposal	—	—	—	—	—	—	—	—	(83)	(83)
Distributions	(16)	(64)	(224)	—	(1)	(11)	(189)	(1)	(14)	(520)
Other	—	1	1	—	(6)	—	3	(1)	5	3
As at September 30, 2019	\$ 878	\$ 1,864	\$ 2,211	\$ 66	\$ 559	\$ 131	\$ 2,004	\$ 10	\$ 118	\$ 7,841
Interests held by third parties	75-80%	43-60%	23-71%	71%	50%	25%	53%	0.5%	20-50%	

General partnership interest in a holding subsidiary held by Brookfield and Participating non-controlling interests – in a holding subsidiary - Redeemable/Exchangeable units held by Brookfield

Brookfield, as the owner of the 1% general partnership interest in BRELP held by Brookfield (“GP interest”), is entitled to regular distributions plus an incentive distribution based on the amount by which quarterly distributions exceed specified target levels. To the extent that LP Unit distributions exceed \$0.375 per LP Unit per quarter, the incentive is 15% of distributions above this threshold. To the extent that quarterly LP Unit distributions exceed \$0.4225 per LP Unit, the incentive distribution is equal to 25% of distributions above this threshold.

As at September 30, 2019, general partnership units, and Redeemable/Exchangeable partnership units outstanding were 2,651,506 (December 31, 2018: 2,651,506) and 129,658,623 (December 31, 2018: 129,658,623), respectively.

Distributions

The composition of the distributions for the three and nine months ended September 30 is presented in the following table:

(MILLIONS)	Three months ended September 30		Nine months ended September 30	
	2019	2018	2019	2018
General partnership interest in a holding subsidiary held by Brookfield	\$ 1	\$ 1	\$ 4	\$ 4
Incentive distribution	12	10	37	30
	13	11	41	34
Participating non-controlling interests - in a holding subsidiary - Redeemable/Exchangeable units held by Brookfield	66	64	201	192
	\$ 79	\$ 75	\$ 242	\$ 226

Preferred equity

Brookfield Renewable’s preferred equity consists of Class A Preference Shares of Brookfield Renewable Power Preferred Equity Inc. ("BRP Equity") as follows:

(MILLIONS EXCEPT AS NOTED)	Shares outstanding	Cumulative distribution rate (%)	Earliest permitted redemption date	Distributions declared for the nine months ended September 30		Carrying value as at	
				2019	2018	September 30, 2019	December 31, 2018
Series 1 (C\$136)	5.45	3.36	Apr 2020	\$ 2	\$ 3	\$ 104	\$ 100
Series 2 (C\$113) ⁽¹⁾	4.51	4.27	Apr 2020	3	3	86	83
Series 3 (C\$249)	9.96	4.40	Jul 2019	6	6	190	182
Series 5 (C\$103)	4.11	5.00	Apr 2018	3	3	78	75
Series 6 (C\$175)	7.00	5.00	Jul 2018	5	5	133	128
	31.04			\$ 19	\$ 20	\$ 591	\$ 568

⁽¹⁾ Dividend rate represents annualized distribution based on the most recent quarterly floating rate.

The Class A Preference Shares do not have a fixed maturity date and are not redeemable at the option of the holders. As at September 30, 2019, none of the issued Class A Preference Shares have been redeemed by BRP Equity.

Class A Preference Shares – Normal Course Issuer Bid

In July 2019, the TSX accepted notice of BRP Equity’s intention to renew the normal course issuer bid in connection with its outstanding Class A Preference Shares for another year to July 8, 2020, or earlier should the repurchases be completed prior to such date. Under this normal course issuer bid, it is permitted to repurchase up to 10% of the total public float for each respective series of the Class A Preference Shares. Unitholders may receive a copy of the notice, free of charge, by contacting Brookfield Renewable. No shares were repurchased during the nine months ended September 30, 2019.

11. PREFERRED LIMITED PARTNERS' EQUITY

Brookfield Renewable's preferred limited partners' equity comprises of Class A Preferred LP Units as follows:

(MILLIONS, EXCEPT AS NOTED)	Shares outstanding	Cumulative distribution rate (%)	Earliest permitted redemption date	Distributions declared for the nine months ended September 30		Carrying value as at	
				2019	2018	September 30, 2019	December 31, 2018
				\$	\$	\$	\$
Series 5 (C\$72)	2.89	5.59	Apr 2018	\$ 2	\$ 3	\$ 49	\$ 49
Series 7 (C\$175)	7.00	5.50	Jan 2021	6	6	128	128
Series 9 (C\$200)	8.00	5.75	Jul 2021	7	6	147	147
Series 11 (C\$250)	10.00	5.00	Apr 2022	7	7	187	187
Series 13 (C\$250)	10.00	5.00	Apr 2023	7	7	196	196
Series 15 (C\$175)	7.00	5.75	Apr 2024	4	—	126	—
	<u>44.89</u>			<u>\$ 33</u>	<u>\$ 29</u>	<u>\$ 833</u>	<u>\$ 707</u>

On March 11, 2019, Brookfield Renewable issued 7,000,000 Class A Preferred Limited Partnership Units, Series 15 (the "Series 15 Preferred Units") at a price of C\$25 per unit for gross proceeds of C\$175 million (\$131 million). Brookfield Renewable incurred C\$6 million (\$5 million) in related transaction costs inclusive of fees paid to underwriters. The holders of the Series 15 Preferred Units are entitled to receive a cumulative quarterly fixed distribution yielding 5.75% for the initial period ending April 30, 2024. Thereafter, the distribution rate will be reset every five years at a rate equal to the greater of: (i) the 5-year Government of Canada bond yield plus 3.94%, and (ii) 5.75%.

The holders of the Series 15 Preferred Units will have the right, at their option, to convert their Series 15 Preferred Units into Class A Preferred Limited Partnership Units, Series 16 (the "Series 16 Preferred Units"), subject to certain conditions, on April 30, 2024 and on April 30 every five years thereafter. The holders of Series 16 Preferred Units will be entitled to receive floating rate cumulative preferential cash distributions equal to the sum of the three month Government of Canada Treasury Bill rate plus 3.94%.

As at September 30, 2019, none of the Class A, Series 5 Preferred Limited Partnership Units have been redeemed.

In July 2019, Brookfield Renewable announced that the Toronto Stock Exchange had accepted a notice of its intention to commence a normal course issuer bid in connection with the outstanding Class A Preferred Limited Partnership Units. Under this normal course issuer bid, Brookfield Renewable is permitted to repurchase up to 10% of the total public float for each respective series of its Class A Preference Units. Repurchases were authorized to commence on July 9, 2019 and will terminate on July 8, 2020, or earlier should Brookfield Renewable complete its repurchases prior to such date.

12. LIMITED PARTNERS' EQUITY

Limited partners' equity

As at September 30, 2019, 178,945,449 LP Units were outstanding (December 31, 2018: 178,821,204 LP Units) including 56,068,944 LP Units (December 31, 2018: 56,068,944 LP Units) held by Brookfield. Brookfield owns all general partnership interests in Brookfield Renewable representing a 0.01% interest.

During the three and nine months ended September 30, 2019, 38,997 LP Units and 144,245 LP Units, respectively (2018: 63,653 LP Units and 221,342 LP Units) were issued under the distribution reinvestment plan at a total cost of \$2 million and \$5 million (2018: \$2 million and \$7 million).

As at September 30, 2019, Brookfield Asset Management's direct and indirect interest of 185,727,567 LP Units and Redeemable/Exchangeable partnership units represents approximately 60% of Brookfield Renewable on a fully-exchanged basis and the remaining approximate 40% is held by public investors.

On an unexchanged basis, Brookfield holds a 31% direct limited partnership interest in Brookfield Renewable, a 42% direct interest in BRELP through the ownership of Redeemable/Exchangeable partnership units and a direct 1% GP interest in BRELP as at September 30, 2019.

In December 2018, Brookfield Renewable renewed its normal course issuer bid in connection with its LP Units. Under this normal course issuer bid Brookfield Renewable is permitted to repurchase up to 8.9 million LP Units, representing approximately 5% of the issued and outstanding LP Units, for capital management purposes. The bid will expire on December 30, 2019, or earlier should Brookfield Renewable complete its repurchases prior to such date. There were no LP units

repurchased during the three months ended September 30, 2019 and September 30, 2018. During the nine months ended September 30, 2019, Brookfield Renewable repurchased and cancelled 20,000 LP Units (2018: 281,359 LP Units) at a total cost of \$1 million (2018: \$8 million).

Distributions

The composition of the limited partners' equity distributions is presented in the following table:

(MILLIONS)	Three months ended September 30		Nine months ended September 30	
	2019	2018	2019	2018
Brookfield	\$ 29	\$ 27	\$ 87	\$ 82
External LP Unitholders	63	61	190	184
	<u>\$ 92</u>	<u>\$ 88</u>	<u>\$ 277</u>	<u>\$ 266</u>

In February 2019, Unitholder distributions were increased to \$2.06 per LP Unit on an annualized basis, an increase of \$0.10 per LP Unit, which took effect with the distribution payable in March 2019.

13. EQUITY-ACCOUNTED INVESTMENTS

The following are Brookfield Renewable's equity-accounted investments for the nine months ended September 30, 2019.

(MILLIONS)	
Opening balance	\$ 1,569
Acquisition	4
Share of net income	33
Share of other comprehensive income	(15)
Dividends received	(44)
Foreign exchange translation and other	(11)
Ending balance	<u>\$ 1,536</u>

The following table summarizes gross revenues and net income of equity-accounted investments in aggregate:

(MILLIONS)	Three months ended September 30		Nine months ended September 30	
	2019	2018	2019	2018
Revenue	\$ 345	\$ 334	\$ 1,060	\$ 812
Net income	2	24	103	12
Share of net income ⁽¹⁾	1	6	33	12

⁽¹⁾ Brookfield Renewable's ownership interest in these entities ranges from 14% to 50%.

The following table summarizes gross assets and liabilities of equity-accounted investments in aggregate at 100% to Brookfield Renewable:

(MILLIONS)	September 30, 2019	December 31, 2018
Current assets	\$ 713	\$ 682
Property, plant and equipment	12,508	11,999
Other assets	604	608
Current liabilities	1,530	1,080
Non-recourse borrowings	6,098	6,078
Other liabilities	1,442	1,197

14. CASH AND CASH EQUIVALENTS

Brookfield Renewable's cash and cash equivalents are as follows:

(MILLIONS)	September 30, 2019	December 31, 2018
Cash	\$ 188	\$ 127
Short-term deposits	21	46
	<u>\$ 209</u>	<u>\$ 173</u>

15. RESTRICTED CASH

Brookfield Renewable's restricted cash is as follows:

(MILLIONS)	September 30, 2019	December 31, 2018
Operations	\$ 94	\$ 119
Credit obligations	111	60
Development projects	4	2
Total	<u>209</u>	<u>181</u>
Less: non-current	(43)	(45)
Current	<u>\$ 166</u>	<u>\$ 136</u>

16. TRADE RECEIVABLES AND OTHER CURRENT ASSETS

Brookfield Renewable's trade receivables and other current assets are as follows:

(MILLIONS)	September 30, 2019	December 31, 2018
Trade receivables	\$ 359	\$ 339
Prepays and others	103	114
Other short-term receivables	125	109
Current portion of contract asset	48	45
	<u>\$ 635</u>	<u>\$ 607</u>

Brookfield Renewable receives payment monthly for invoiced PPA revenues and has no significant aged receivables as of the reporting date. Receivables from contracts with customers are reflected in Trade receivables.

17. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Brookfield Renewable's accounts payable and accrued liabilities are as follows:

(MILLIONS)	September 30, 2019	December 31, 2018
Operating accrued liabilities	\$ 234	\$ 263
Accounts payable	89	76
Interest payable on corporate and subsidiary borrowings	92	76
Deferred consideration	183	30
LP Unitholders distributions, preferred limited partnership unit distributions and preferred dividends payable ⁽¹⁾	33	30
Other	44	58
	<u>\$ 675</u>	<u>\$ 533</u>

⁽¹⁾ Includes amounts payable only to external LP Unitholders. Amounts payable to Brookfield are included in due to related parties.

18. COMMITMENTS, CONTINGENCIES AND GUARANTEES

Commitments

In the course of its operations, Brookfield Renewable and its subsidiaries have entered into agreements for the use of water, land and dams. Payment under those agreements varies with the amount of power generated. The various agreements can be renewed and are extendable up to 2091.

Together with institutional partners, Brookfield Renewable is committed to invest C\$400 million in TransAlta's convertible securities in October 2020. We also agreed, subject to certain terms and conditions, to increase our ownership of TransAlta common shares to 9% up to a price ceiling.

During the quarter, Brookfield Renewable, alongside institutional partners, entered into a commitment to invest approximately \$550 million to acquire a 50% interest in X-Elio, a global independent solar platform. The transaction is expected to close in the fourth quarter of 2019, subject to closing conditions, with Brookfield Renewable expected to hold a 25% interest.

Contingencies

Brookfield Renewable and its subsidiaries are subject to various legal proceedings, arbitrations and actions arising in the normal course of business. While the final outcome of such legal proceedings and actions cannot be predicted with certainty, it is the opinion of management that the resolution of such proceedings and actions will not have a material impact on Brookfield Renewable's consolidated financial position or results of operations.

Brookfield Renewable, along with institutional investors, has provided letters of credit, which include, but are not limited to, guarantees for debt service reserves, capital reserves, construction completion and performance as it relates to interests in the Brookfield Americas Infrastructure Fund, the Brookfield Infrastructure Fund II, the Brookfield Infrastructure Fund III, and the Brookfield Infrastructure Fund IV. Brookfield Renewable's subsidiaries have similarly provided letters of credit, which include, but are not limited to, guarantees for debt service reserves, capital reserves, construction completion and performance.

Letters of credit issued by Brookfield Renewable along with institutional investors and its subsidiaries were as at the following dates:

(MILLIONS)	September 30, 2019	December 31, 2018
Brookfield Renewable along with institutional investors	\$ 52	\$ 51
Brookfield Renewable's subsidiaries	332	338
	<u>\$ 384</u>	<u>\$ 389</u>

Guarantees

In the normal course of operations, Brookfield Renewable and its subsidiaries execute agreements that provide for indemnification and guarantees to third parties of transactions such as business dispositions, capital project purchases, business acquisitions, and sales and purchases of assets and services. Brookfield Renewable has also agreed to indemnify its directors and certain of its officers and employees. The nature of substantially all of the indemnification undertakings prevents Brookfield Renewable from making a reasonable estimate of the maximum potential amount that Brookfield Renewable could be required to pay third parties as the agreements do not always specify a maximum amount and the amounts are dependent upon the outcome of future contingent events, the nature and likelihood of which cannot be determined at this time. Historically, neither Brookfield Renewable nor its subsidiaries have made material payments under such indemnification agreements.

19. RELATED PARTY TRANSACTIONS

Brookfield Renewable's related party transactions are recorded at the exchange amount. Brookfield Renewable's related party transactions are primarily with Brookfield Asset Management.

Brookfield Renewable and Brookfield completed a transaction to internalize all energy marketing capabilities in North America into Brookfield Renewable. Refer to Note 27 - Related Party Transactions in our 2018 annual audited consolidated financial statements for additional details of the energy marketing internalization.

Brookfield Asset Management has provided a \$400 million committed unsecured revolving credit facility maturing in December 2019 and the interest rate applicable on the draws is LIBOR plus up to 2%. As at September 30, 2019, there were no draws on the committed unsecured revolving credit facility provided by Brookfield Asset Management. During the year, Brookfield Asset Management also placed up to \$600 million on deposit with Brookfield Renewable. The funds on deposit have since been paid back in full prior to September 30, 2019 including any interest that had been accrued. The interest expense on the deposit for the three and nine months ended September 30, 2019 totaled \$2 million and \$5 million, respectively (2018: \$2 million and \$7 million).

The following table reflects the related party agreements and transactions in the interim consolidated statements of income:

(MILLIONS)	Three months ended September 30		Nine months ended September 30	
	2019	2018	2019	2018
Revenues				
Power purchase and revenue agreements	\$ 101	\$ 101	\$ 469	\$ 375
Wind levelization agreement	—	2	1	6
	\$ 101	\$ 103	\$ 470	\$ 381
Direct operating costs				
Energy purchases	\$ (3)	\$ (3)	\$ (8)	\$ (8)
Energy marketing fee	(6)	(6)	(18)	(18)
Insurance services ⁽¹⁾	(6)	(6)	(20)	(19)
	\$ (15)	\$ (15)	\$ (46)	\$ (45)
Interest expense - borrowings	\$ (2)	\$ (2)	\$ (5)	\$ (7)
Management service costs	\$ (29)	\$ (22)	\$ (73)	\$ (64)

⁽¹⁾ Insurance services are paid to a subsidiary of Brookfield Asset Management that brokers external insurance providers on behalf of Brookfield Renewable. The fees paid to the subsidiary of Brookfield Asset Management for the three and nine months ended September 30, 2019 were less than \$1 million (2018: less than \$1 million).

20. SUBSIDIARY PUBLIC ISSUERS

The following tables provide consolidated summary financial information for Brookfield Renewable, BRP Equity, and Finco:

(MILLIONS)	Brookfield Renewable ⁽¹⁾	BRP Equity	Finco	Holding Entities ⁽¹⁾⁽²⁾	Other Subsidiaries ⁽¹⁾⁽³⁾	Consolidating adjustments ⁽⁴⁾	Brookfield Renewable consolidated
As at September 30, 2019							
Current assets	\$ 32	\$ 400	\$ 2,142	\$ 96	\$ 3,911	\$ (4,639)	\$ 1,942
Long-term assets	4,957	246	—	23,427	31,788	(28,925)	31,493
Current liabilities	41	7	24	4,335	1,829	(4,638)	1,598
Long-term liabilities	—	—	2,107	113	13,881	(662)	15,439
Participating non-controlling interests - in operating subsidiaries	—	—	—	—	7,841	—	7,841
Participating non-controlling interests - in a holding subsidiary - Redeemable/Exchangeable units held by Brookfield	—	—	—	2,974	—	—	2,974
Preferred equity	—	585	—	—	—	—	585
Preferred limited partners' equity	833	—	—	844	—	(844)	833
As at December 31, 2018							
Current assets	\$ 32	\$ 389	\$ 1,631	\$ 93	\$ 3,639	\$ (3,823)	\$ 1,961
Long-term assets	5,208	239	1	24,078	32,433	(29,817)	32,142
Current liabilities	38	6	21	3,096	2,351	(3,823)	1,689
Long-term liabilities	—	—	1,607	798	13,445	(642)	15,208
Participating non-controlling interests - in operating subsidiaries	—	—	—	—	8,129	—	8,129
Participating non-controlling interests - in a holding subsidiary - Redeemable/Exchangeable units held by Brookfield	—	—	—	3,252	—	—	3,252
Preferred equity	—	568	—	—	—	—	568
Preferred limited partners' equity	707	—	—	718	—	(718)	707

(1) Includes investments in subsidiaries under the equity method.

(2) Includes BRELP, BRP Bermuda Holdings I Limited, Brookfield BRP Holdings (Canada) Inc. and Brookfield BRP Europe Holdings Limited, together the "Holding Entities".

(3) Includes subsidiaries of Brookfield Renewable, other than BRP Equity, Finco and the Holding Entities.

(4) Includes elimination of intercompany transactions and balances necessary to present Brookfield Renewable on a consolidated basis.

(MILLIONS)	Brookfield Renewable ⁽¹⁾	BRP Equity	Finco	Holding Entities ⁽¹⁾⁽²⁾	Other Subsidiaries ⁽¹⁾⁽³⁾	Consolidating adjustments ⁽⁴⁾	Brookfield Renewable consolidated
Three months ended September 30, 2019							
Revenues	\$ —	\$ —	\$ —	\$ —	\$ 643	\$ (1)	\$ 642
Net income (loss)	(19)	—	3	(158)	211	(36)	1
Three months ended September 30, 2018							
Revenues	\$ —	\$ —	\$ —	\$ 1	\$ 673	\$ —	\$ 674
Net income (loss)	(22)	—	—	(182)	205	16	17
Nine months ended September 30, 2019							
Revenues	\$ —	\$ —	\$ —	\$ —	\$ 2,255	\$ (1)	\$ 2,254
Net income (loss)	37	—	5	(103)	957	(633)	263
Nine months ended September 30, 2018							
Revenues	\$ —	\$ —	\$ —	\$ 2	\$ 2,200	\$ —	\$ 2,202
Net income (loss)	1	7	—	(172)	644	(338)	142

(1) Includes investments in subsidiaries under the equity method.

(2) Includes the Holding Entities.

(3) Includes subsidiaries of Brookfield Renewable, other than BRP Equity, Finco, and the Holding Entities.

(4) Includes elimination of intercompany transactions and balances necessary to present Brookfield Renewable on a consolidated basis.

See Note 9 - Borrowings for additional details regarding the medium-term borrowings issued by Finco. See Note 10 - Non-controlling interests for additional details regarding Class A Preference Shares issued by BRP Equity.

21. SUBSEQUENT EVENTS

Subsequent to quarter-end, we announced our intention to create a Canadian corporation (“BEPC”) with publicly-traded shares that we expect will be economically-equivalent to the limited partnership units of Brookfield Renewable. The class A shares of BEPC are expected to be distributed as a special distribution to Brookfield Renewable’s existing unitholders, other than preferred unitholders. The class A shares of BEPC will be structured with the intention of being economically equivalent to the limited partnership units of BEP and will be exchangeable, at the shareholder's option, for one BEP limited partnership unit. Subject to receiving required approvals, the BEPC class A shares will be publicly listed. A registration statement on Form F-1 in connection with this transaction was filed with the SEC on November 8, 2019 and a preliminary prospectus will be filed with the securities regulators in Canada (and available on the SEC's website at www.sec.gov or on SEDAR's website at www.sedar.com). This Interim Report does not constitute an offer to sell or the solicitation of an offer to buy any securities of BEPC or BEP, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

GENERAL INFORMATION

Corporate Office

73 Front Street
Fifth Floor
Hamilton, HM12
Bermuda
Tel: (441) 294-3304
Fax: (441) 516-1988
<https://bep.brookfield.com>

Officers of Brookfield Renewable Partners L.P.'s Service Provider, BRP Energy Group L.P.

Sachin Shah
Chief Executive Officer

Wyatt Hartley
Chief Financial Officer

Transfer Agent & Registrar

Computershare Trust Company of Canada
100 University Avenue
9th floor
Toronto, Ontario, M5J 2Y1
Tel Toll Free: (800) 564-6253
Fax Toll Free: (888) 453-0330
www.computershare.com

Directors of the General Partner of Brookfield Renewable Partners L.P.

Jeffrey Blidner
Eleazar de Carvalho Filho
Nancy Dorn
David Mann
Lou Maroun
Patricia Zuccotti
Stephen Westwell

Exchange Listing

NYSE: BEP (LP Units)
TSX: BEP.UN (LP Units)
TSX: BEP.PR.E (Preferred LP Units - Series 5)
TSX: BEP.PR.G (Preferred LP Units - Series 7)
TSX: BEP.PR.I (Preferred LP Units - Series 9)
TSX: BEP.PR.K (Preferred LP Units - Series 11)
TSX: BEP.PR.M (Preferred LP Units - Series 13)
TSX: BRF.PR.O (Preferred LP Units - Series 15)
TSX: BRF.PR.A (Preferred shares - Series 1)
TSX: BRF.PR.B (Preferred shares - Series 2)
TSX: BRF.PR.C (Preferred shares - Series 3)
TSX: BRF.PR.E (Preferred shares - Series 5)
TSX: BRF.PR.F (Preferred shares - Series 6)

Investor Information

Visit Brookfield Renewable online at <https://bep.brookfield.com> for more information. The 2018 Annual Report and Form 20-F are also available online. For detailed and up-to-date news and information, please visit the News Release section.

Additional financial information is filed electronically with various securities regulators in United States and Canada through EDGAR at www.sec.gov and through SEDAR at www.sedar.com.

Shareholder enquiries should be directed to the Investor Relations Department at (416) 369-2616 or enquiries@brookfieldrenewable.com

BROOKFIELD RENEWABLE PARTNERS L.P.

bep.brookfield.com

NYSE: BEP
TSX: BEP.UN