



Brookfield

Brookfield Case Study

BRAZIL-CANADA NEW ENERGY INVESTMENT FORUM 2020

JUNE 22, 2020

We focus on sectors in which our in-depth operating experience gives us a competitive advantage

REAL ESTATE

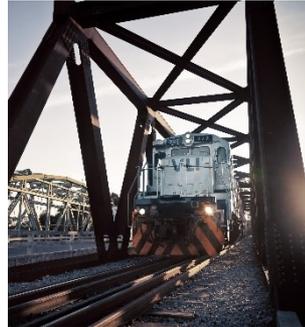
\$193B AUM



- Office
- Multifamily
- Retail
- Logistics
- Hospitality
- Mixed-Use
- Alternative Real Estate

INFRASTRUCTURE

\$66B AUM



- Utilities
- Transport
- Energy
- Data Infrastructure
- Sustainable Resources

RENEWABLE POWER

\$47B AUM



- Hydroelectric
- Wind
- Solar
- Storage

PRIVATE EQUITY

\$62B AUM



- Business Services
- Infrastructure Services
- Real Estate Services
- Industrials

CREDIT

\$122B AUM



- Performing Credit
- Opportunistic Credit
- Private and Listed Equities
- Real Estate

We are one of the world's largest investors, owners and operators of infrastructure assets that deliver essential goods and services and benefit from high barriers to entry

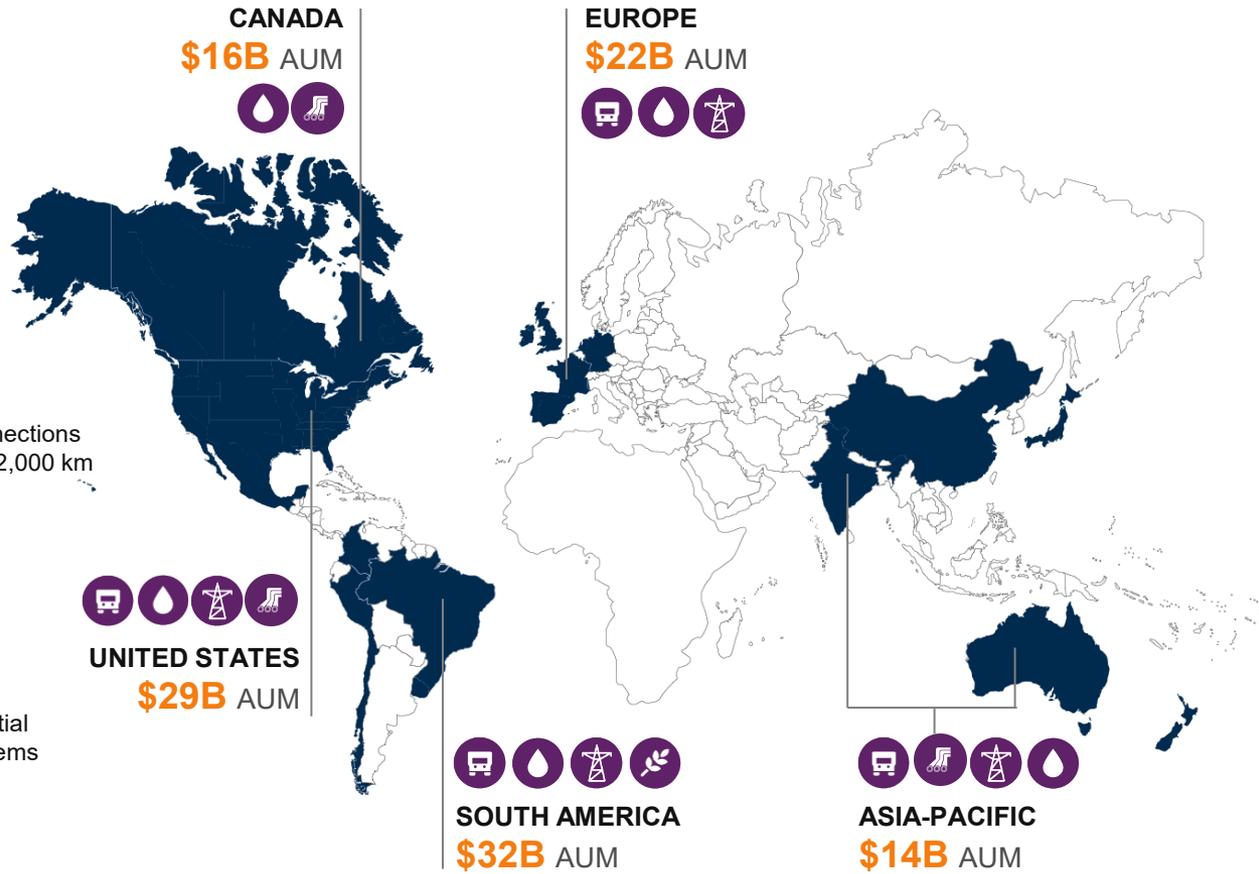
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TRANSPORTATION
\$16B AUM
 - 13 ports, ~4,200 km of toll roads
 - 10,300 km of rail operations

- 
RENEWABLE POWER
\$47B AUM
 - 219 hydroelectric plants
 - 141 wind farms, 4,937 solar facilities
 - 4 storage facilities
 - 18,000 MW of capacity

- 
UTILITIES
\$31B AUM
 - 6.8 million electricity and natural gas connections
 - 2,200 km of electricity transmission lines 2,000 km of regulated natural gas pipeline
 - 1.3 million smart meters
 - 7,000 communication towers
 - 10,000 km of fiber backbone
 - 50 data centers

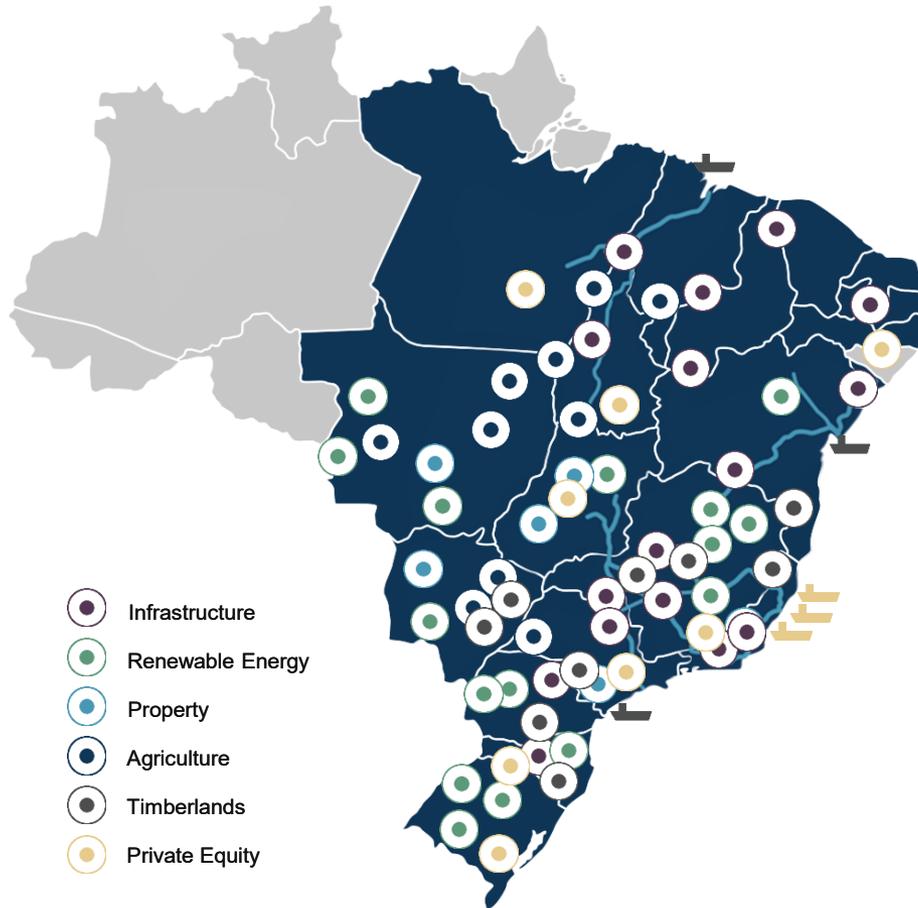
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ENERGY
\$16B AUM
 - Natural gas pipelines, district and residential energy businesses, and gas storage systems

- 
SUSTAINABLE RESOURCES
\$2B AUM
 - 680,000 acres of high-quality timberlands
 - 670,000 acres of agricultural lands



Note: Solar and wind assets located in France and Germany are managed by CEE Group (100% owned by BAM). AUM by segment excludes Corporate AUM of ~\$1 billion.

With over 115 years in the country we have a significant presence and deep knowledge about the Brazilian market



~US\$22B

ASSETS UNDER MANAGEMENT

US\$2.7B

RENEWABLE ENERGY

- 42 hydroelectric plants
- 4 biomass plants
- 19 wind plants
- 1,500 MW capacity

US\$2.2B¹

PROPERTIES

- 2.4 million sqf retail GLA
- 3.6 million sqf office GLA
- 2.3 million of logistics warehouses

US\$10.7²

INFRASTRUCTURE

- 3,700 km of toll roads
- 8,000 km of railways
- 4,300 km of energy transmission lines
- 2,048 km of gas pipelines

US\$1.8B

SUSTAINABLE RESOURCES

- 269,000 hectares of agricultural investments
- 290,000 hectares of timber investments

US\$4.7B

PRIVATE EQUITY

- >237 million sqf property development built
- 180 cities served in water and sewage services

1) Does not include BC Fund.

2) Does not include Ascenty.

Brazil's largest privately owned small hydroelectric power producer, focused on low social and environmental impact assets

US\$2.7B

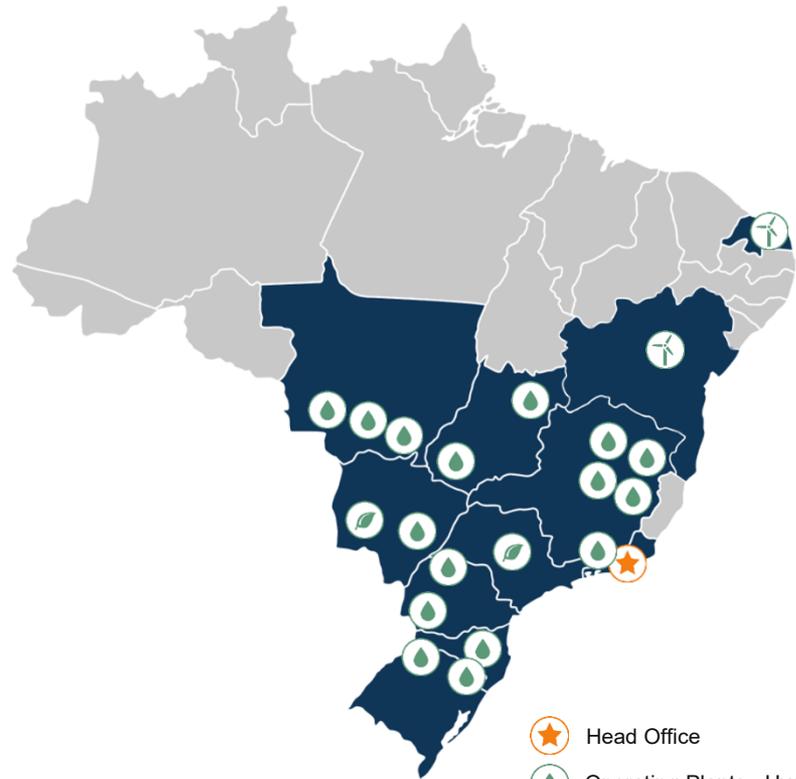
ASSETS UNDER MANAGEMENT

~1.5 GW

INSTALLED CAPACITY



Sacre Hydroelectric Plant, Mato Grosso



-  Head Office
-  Operating Plants - Hydroelectric
-  Operating Plants - Biomass
-  Operating Plants - Wind

42

HYDROELECTRIC PLANTS

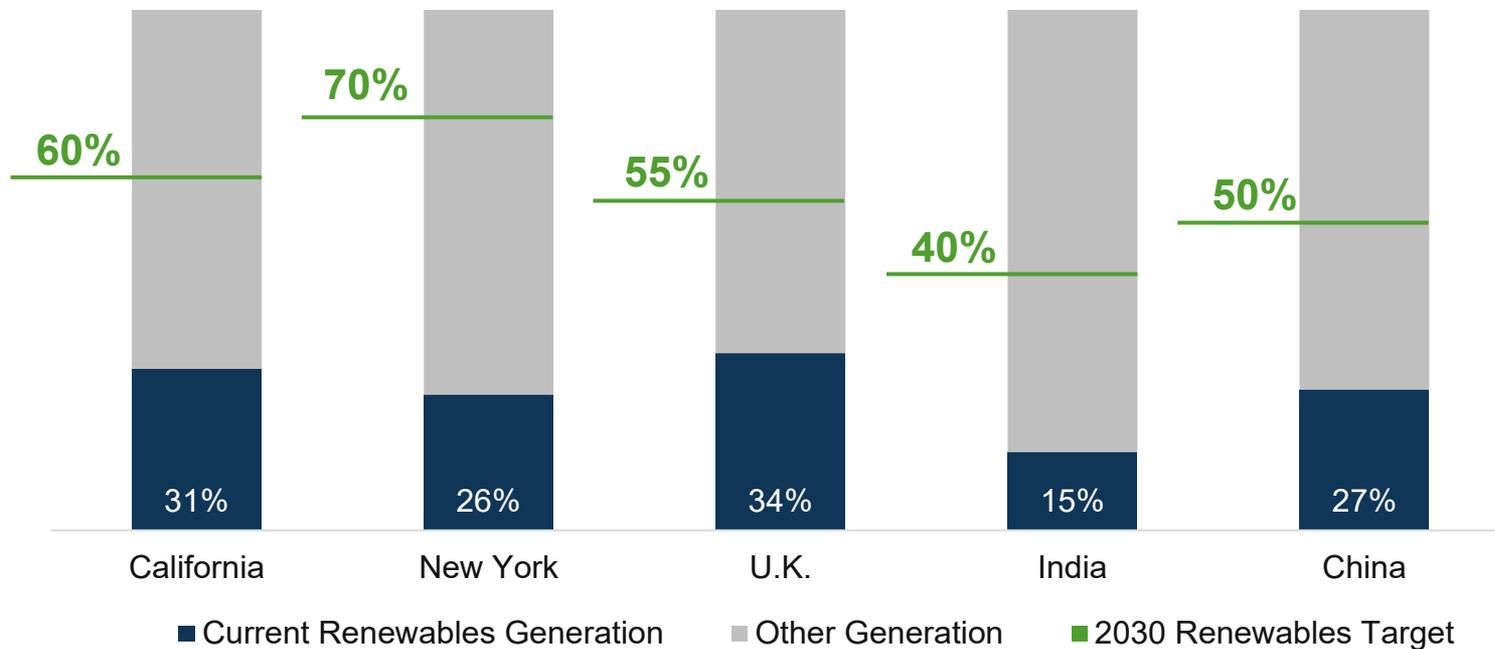
19

WIND PLANTS

4

BIOMASS PLANTS

Significant Renewable Power Growth is Required to Meet 2030 Targets



Source: Bloomberg New Energy Finance.

Note: China and India renewables targets are not currently in legislation, but proposed by policy-makers.

Case Study: Brazilian Renewable Power Portfolio

Investment Date	2020
Ownership Interest	98%
Sector	Renewable Power
Geography	Brazil



Transaction

- Brookfield has agreed to acquire 100% of two shovel-ready development solar projects in Brazil from two local developers for a total equity amount of \$128 million

Source

- The transaction arose from bilateral discussions with the sellers

Asset Overview

- Newen is a ready-to-build 278 MWac direct current solar project
 - Project is fully contracted through a 20-year regulated Power Purchase Agreement (“PPA”)
 - Located in one of the most attractive regions for solar development in the country
 - Construction is expected to be completed in Q3 2021
- Aratinga is a high-quality greenfield photovoltaic project of 150 MWac located in Northeastern Brazil
 - Project located in a region with the highest irradiation index in the country
 - Obtaining final licenses and expect to commence construction in Q4 2020
 - Completion targeted for Q1 2022

Brookfield’s Investment Thesis

- Opportunity to acquire two high-quality ready-to-build projects
- Ability to execute a roll-up strategy of similar type assets to create an attractive, technology-diversified portfolio of long-term contracted renewable assets in Brazil
- Projects are expected to produce stable cash flows
 - Newen is fully contracted under a regulated PPA
 - Aratinga has been designed to be developed in 30 MW phases, where we believe we can sign long term PPAs with credit worthy counterparties
- Possibility to develop additional capacity for both projects given our experience in Engineering Procurement and Construction (“EPC”) contract and operating expertise in Brazil

Investment Update

- We closed on the Newen transaction in Q1 2020 and expect to close on Aratinga in Q3 2020

Case Study: Brazilian Electricity Transmission

Investment Date	2016
Ownership Interest	50-100%
Sector	Utilities
Geography	Brazil



Transaction

- Brookfield partnered with Spanish construction firm Grupo ACS (ACS) in three transactions to invest in attractive greenfield electricity transmission line development projects

Source

- Proprietary transaction arose from Brookfield's local presence, as well as its relationship with electricity transmission operators

Asset Overview

- Projects total 5,473 km across 41 transmission lines with 49 substations under 30-year concession agreements
- Brookfield will have co-control during the construction phase with a path to 100% ownership upon completion
 - To date, two projects are 100% owned by the fund

Brookfield's Investment Thesis

- Reduced risk construction process to be completed under turn-key agreements structured to help protect the investment from cost overruns or delays
- Once complete, expected to earn stable, fixed and inflation protected revenue streams
 - Revenues are availability-based with no volume or usage risk
- Ability to leverage Brookfield's extensive knowledge of the sector in a country where Brookfield is well-established

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