



Brookfield Renewable Partners (BEP)

Updated February 4th, 2026 by Aristofanis Papadatos

Key Metrics

Current Price:	\$30	5 Year CAGR Estimate:	13.2%	Market Cap:	\$20 B
Fair Value Price:	\$35	5 Year Growth Estimate:	6.0%	Ex-Dividend Date:	2/27/2026
% Fair Value:	85%	5 Year Valuation Multiple Estimate:	3.2%	Dividend Payment Date:	3/31/2026
Dividend Yield:	5.2%	5 Year Price Target	\$47	Years Of Dividend Growth:	5
Dividend Risk Score:	F	Sector:	MLPs	Rating:	Hold

Overview & Current Events

Brookfield Renewable Partners L.P. operates one of the world's largest portfolios of publicly traded renewable power assets. Its portfolio consists of about 46,000 megawatts of capacity in North America, South America, Europe, and Asia. Brookfield Renewable Partners is one of four publicly traded listed partnerships that are operated by Brookfield Asset Management (BAM). The others are Brookfield Infrastructure Partners (BIP) and Brookfield Business Partners (BBU). Brookfield Renewable Partners trades with a market capitalization of US\$20 billion and is cross listed on the New York Stock Exchange and the Toronto Stock Exchange, where it trades under the tickers 'BEP' and 'BEP.UN', respectively. Despite operating as a Canadian company, Brookfield Energy Partners reports financial results in U.S. dollars. All figures in this report refer to its NYSE stock listing and are denominated in U.S. dollars. On December 11th, 2020, Brookfield Renewable Partners implemented a 3-for-2 stock split.

In late January, BEP reported (1/30/26) results for the fourth quarter of 2025. Its funds from operations (FFO) per unit grew 11%, from \$0.46 to \$0.51, thanks to asset development and acquisitions. Management expects the strong business momentum to remain in place this year. We expect 9% growth of FFO per share this year. BEP is resilient to high inflation, as about 70% of its contracts are indexed to inflation and most of its costs are fixed. However, due to hefty investments, which have caused interest expense to exceed operating income by a wide margin, BEP is vulnerable to an environment of high interest rates. Fortunately for BEP, the Fed has begun to cut interest rates.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
FFOPS¹	\$0.97	\$1.27	\$1.44	\$1.24	\$1.52	\$1.45	\$1.56	\$1.67	\$1.83	\$2.01	\$2.20	\$2.94
DPS	\$0.95	\$1.00	\$1.31	\$1.03	\$1.30	\$1.22	\$1.28	\$1.35	\$1.42	\$1.49	\$1.57	\$1.86
Shares²	288.7	311.8	312.2	311.3	473.3	473.5	473.8	486.9	663.0	662.0	670.0	800.0

We expect BEP to keep growing its FFO meaningfully via its heavy investing in new projects and the steadily decreasing production cost of solar and wind power. The company invested an almost record \$1.9 billion in all major decarbonization assets in 2025 and it is one of the largest publicly traded renewable power platforms. The objective of BEP as a publicly traded partnership is *"to deliver long-term annualized total returns of 12%-15%, including annual distribution increases of 5%-9% from organic cash flow growth and project development."* While the total return portion is based on the market price of the security, the distribution and business growth are under the company's control. We believe Brookfield Renewable Partners investors can expect organic growth of around 6% over the intermediate term.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/FFO	20.5	18.4	14.1	14.6	21.9	27.5	22.0	16.4	13.7	12.5	13.6	16.0
Avg. Yld.	6.0%	5.4%	6.4%	5.7%	3.9%	3.1%	3.7%	4.9%	5.7%	5.9%	5.2%	3.9%

¹ We use normalized funds from operations where applicable.

² In millions.

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Brookfield Renewable Partners is currently trading at a price-to-FFO ratio of 13.6. The stock has traded at an average price-to-FFO multiple of 18.2 over the last decade but we assume a fair earnings multiple of 16.0 due to the high debt load of BEP. If the stock trades at its fair valuation level in five years, it will enjoy a 3.2% annualized gain in its returns.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout ³	123%	98.4%	90.7%	84.1%	85.5%	84.1%	82.1%	80.8%	77.6%	74.1%	71.4%	63.0%

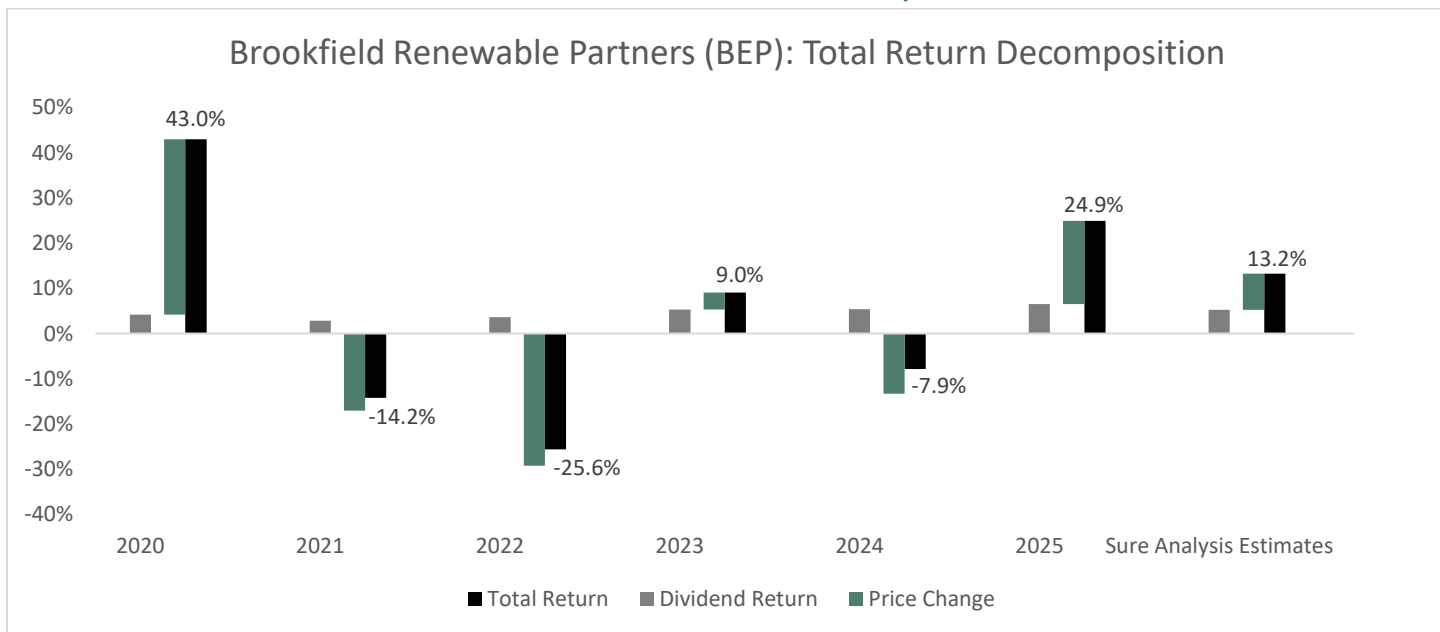
Brookfield Renewable Partners does not cover its interest expense, as the latter is currently more than double the operating income. On the other hand, the company has a marginal investment-grade rating of BBB+.

Moreover, the company benefits from Brookfield's various competitive advantages, which include a global operating presence, a long and successful track record of operating real assets, and a skilled management team. The company has agreed to provide over 10.5 GW of renewable energy to Microsoft to enable the growth of its AI business. It is also critical to note that hydroelectric energy generates about half of the total funds from operations of the company. BEP has one of the largest hydroelectric businesses in the world, which has more than doubled in size in the last eight years. Hydroelectric assets benefit from long useful lives (often over 100 years) and low operating and capital costs.

Final Thoughts & Recommendation

Brookfield Renewable Partners is one of the largest and most successful pure-play investment vehicles in the world of renewable energy. Due to its high debt load, the company is hurt by high interest rates, which increase the interest expense and reduce the present value of future earnings, thus exerting pressure on valuation. Fortunately, the Fed has begun to cut interest rates and intends to cut them further. We view the stock as attractive from a long-term perspective. The stock has rallied 45% in the last 12 months but it could still offer a 13.2% average annual return over the next five years thanks to 6.0% growth of earnings-per-share, its 5.2% dividend and a 3.2% valuation tailwind. It receives a hold rating.

Total Return Breakdown by Year



³ Using funds from operations.

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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	2,452	2,625	2,982	2,980	3,810	4,096	4,711	5,038	5,876	6,407
Gross Profit	1,414	1,647	1,946	1,968	2,536	2,731	3,277	3,105	3,296	1,079
Gross Margin	57.7%	62.7%	65.3%	66.0%	66.6%	66.7%	69.6%	61.6%	56.1%	16.8%
SG&A Exp.	62	82	80	108	235	288	243	205	204	223
D&A Exp.	781	782	819	798	1,367	1,501	1,583	1,852	2,010	2,425
Operating Profit	571	783	1,047	1,062	934	942	1,445	1,048	1,082	856
Operating Margin	23.3%	29.8%	35.1%	35.6%	24.5%	23.0%	30.8%	20.8%	18.4%	13.4%
Net Profit	(50)	(28)	80	(15)	(304)	(368)	(122)	(100)	(464)	712
Net Margin	-2.0%	-1.1%	2.7%	-0.5%	-8.0%	-9.0%	-6.3%	-2.0%	-7.9%	11.1%
Free Cash Flow	263	573	868	1,017	849	(1,233)	(479)	(956)	(2,459)	(5,095)
Income Tax	(53)	88	(59)	51	(147)	14	(2)	(48)	(191)	(614)

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	27,737	30,904	34,103	46,196	49,722	55,867	64,111	76,326	94,809	98,701
Cash & Equivalents	223	799	173	352	431	764	730	1,141	3,135	2,093
Acc. Receivable	262	360	339	580	614	2,301	672	5,237	6,705	---
Goodwill & Int.	910	914	839	1,190	1,202	966	1,735	1,959	5,444	---
Total Liabilities	15,065	16,622	16,897	25,716	27,955	31,871	37,825	46,347	58,353	63,727
Accounts Payable	87	117	76	152	127	4,127	276	9,414	15,524	19,440
Long-Term Debt	10,182	11,766	10,718	17,300	18,082	21,529	24,850	29,759	34,390	34,892
Total Equity	3,772	4,467	5,191	5,412	4,873	4,973	4,856	4,723	4,238	---

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	-0.1%	0.0%	0.2%	-0.1%	-0.3%	-0.7%	-0.2%	-0.1%	-0.5%	0.7%
Return on Equity	-0.6%	-0.1%	1.3%	-0.8%	-2.5%	-7.5%	-2.5%	-2.1%	-1.4%	2.0%
Shares Out.	-0.1%	0.0%	0.3%	-0.2%	302	277	277	313	285	---
Revenue/Share	288.7	311.8	312.2	311.3	12.63	14.80	17.03	16.12	20.61	---
FCF/Share	9.80	9.70	17.33	17.60	2.81	-4.45	-1.73	-3.06	-8.62	---

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.

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