

A black and white photograph of a train crossing a bridge. The train, a locomotive with the number 727 on its front, is moving towards the viewer. The bridge is a large steel truss structure. The locomotive has the letters 'VLI' on its front. The scene is set against a cloudy sky.

Brookfield

SETEMBRO / 2018

Brookfield

We are a
leading global
investor and operator
of real assets

We are one of the world's leading alternative asset managers, distinguished by a 115-year history of owning and operating real assets

- Manage over **\$285 billion** of real assets focused on real estate, infrastructure, renewable power and private equity
- Operate in over 30 countries with 750 investment professionals and 80,000 operating employees
- Offer investors the opportunity to partner with us through a range of **public** and **private** investment strategies
- Listed public affiliates, private funds and public securities portfolios manage **\$129 billion** of fee bearing capital

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

Real Estate
\$160 billion
AUM



Office, Retail, Multifamily,
Industrial, Hospitality and
Other

Infrastructure
\$35 billion
AUM



Utilities, Transport, Energy,
Data Infrastructure and
Sustainable Resources

Renewable Power
\$43 billion
AUM



Hydroelectric, Wind, Solar
and Storage

Private Equity
\$28 billion
AUM



Business Services, Industrial
Operations and Residential
Development

\$285B+

ASSETS UNDER
MANAGEMENT

80,000+

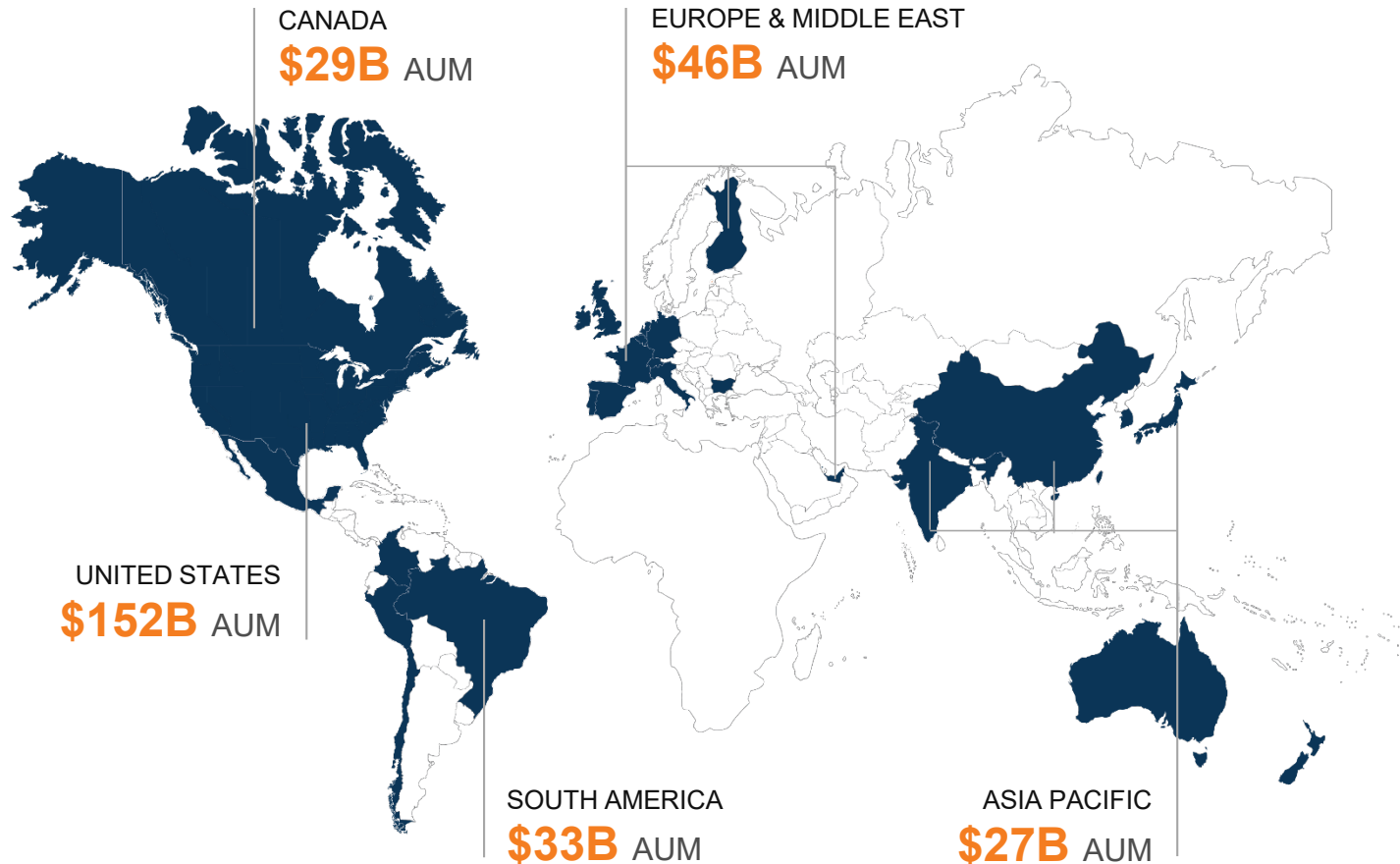
OPERATING
EMPLOYEES¹

750+

INVESTMENT
PROFESSIONALS¹
















30+

COUNTRIES



1) As of June 30, 2018. Includes investment and operating professionals across all of Brookfield's platforms (i.e. private funds and listed entities) and investment sectors (e.g. real estate, infrastructure and private equity). Investment and operating professionals include all personnel involved in the investment and related processes, including research, investment analysis, risk analysis, performance measurement analysis and other personnel.

Deals and Awards

<p>2017</p> <p>Turnaround of the Year</p>  <p>Global M&A Network</p>	<p>2017</p> <p>Private Equity Turnaround of the Year</p>  <p>Global M&A Network</p>	<p>2017</p> <p>Real Estate Debt Manager of the Year, Americas</p>  <p>Private Debt Investor</p>	<p>2017</p> <p>Deal of the Year, North Americas</p>  <p>Infrastructure Investor</p>	<p>2017</p> <p>Deal of the Year, Latin America</p>  <p>Infrastructure Investor</p>
<p>2016</p> <p>Global Capital Raise of the Year</p>  <p>Private Equity Real Estate</p>	<p>2016</p> <p>Global Fund Manager of the Year</p>  <p>Infrastructure Investor</p>	<p>2016</p> <p>Global Energy Investor of the Year</p>  <p>Infrastructure Investor</p>	<p>2016</p> <p>Global Equity Fundraising of the Year</p>  <p>Infrastructure Investor</p>	<p>2016</p> <p>Asia Pacific Equity Fundraising of the Year</p>  <p>Infrastructure Investor</p>
<p>2016</p> <p>Latin America Deal of the Year</p>  <p>Infrastructure Investor</p>	<p>2016</p> <p>Americas Infrastructure Fund of the Year</p>  <p>IJP Global</p>	<p>2016</p> <p>Latin America M&A Deal of the Year</p>  <p>IJP Global</p>	<p>2015</p> <p>Europe Deal of the Year</p>  <p>Private Equity Real Estate</p>	<p>2015</p> <p>Member of Dow Jones Sustainability Index</p>  <p>Dow Jones</p>

Note: The foregoing is a list of industry recognitions attained by Brookfield entities. Industry recognitions are not a guarantee or assurance of future performance. Others may have awarded similar awards to others unaffiliated with Brookfield based on the same or different criteria. Please see additional important disclosures in Notice to Recipients.

While every investment across Brookfield is different and therefore will have different considerations, our ESG Program, based on the following principles, informs how we conduct our business

Employee Well-Being

Meet or exceed all applicable labor laws and standards in jurisdictions where we operate, which includes respecting human rights, offering competitive wages and implementing nondiscriminatory, fully inclusive hiring practices

Health & Safety

Aim to have zero serious safety incidents within our businesses by working towards implementing consistent health and safety principles across the organization

Community Engagement

Engage with community groups that might be affected by our actions to ensure that their interests, safety and well-being are appropriately integrated into our decision-making

Philanthropy

Empower our employees to participate in—and use our resources to give back to—the communities in which we operate

Environmental Stewardship

Strive to minimize the environmental impact of our operations and improve our efficient use of resources over time

Governance, Ethics and Fairness

Operate with high ethical standards by conducting business activities in compliance with applicable legal and regulatory requirements, and with our Code of Business Conduct and Ethics

Transparency

Be accessible to our investors and stakeholders by being responsive to requests for information and timely in our communication



Corporate and Regional Offices

Brookfield



★ Corporate Offices

United States

Brookfield Place
250 Vesey Street , 15th Floor
New York, NY 10281-1023

Canada

Brookfield Place
181 Bay Street, Suite 300
Bay Wellington Tower
Toronto, ON M5J 2T3

United Kingdom

One Canada Square, Level 25
Canary Wharf
London E14 5AA

Australia

Level 22
135 King Street
Sydney, NSW 2000

Brazil

Avenida Antônio Gallotti s/n
Edifício Pacific Tower
BL2, 2^o andar
Barra da Tijuca
Rio de Janeiro – RJ 22775-029

United Arab Emirates

Level 15
Gate Building, DIFC
P.O. Box 507234
Dubai

India

8th Floor
A Wing, One BKC
Bandra Kurla Complex
Bandra East
Mumbai 400 051

China

Suite 2101, Shui On Plaza
No. 333 Huai Hai Road
Shanghai 200021

● Regional Offices

North America

Calgary, Chicago, Houston,
Los Angeles, Mexico City and
Vancouver

South America

Bogotá, Lima and São Paulo

Europe

Madrid

Asia-Pacific

New Delhi, Hong Kong, Seoul,
Singapore and Tokyo

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



UTILITIES

\$14B AUM

- 6.5 million electricity and gas connections
- 2,200 km of electricity transmission lines
- ~2,000 km of regulated natural gas pipeline
- 980,000 smart meters



TRANSPORTATION

\$11B AUM

- ~10,300 km of rail operations
- ~3,800 km of toll roads and 37 ports



ENERGY

\$4B AUM

- ~15,000 km of natural gas pipeline
- 600 bcf of natural gas storage
- District heating and cooling systems



DATA INFRASTRUCTURE

\$2B AUM

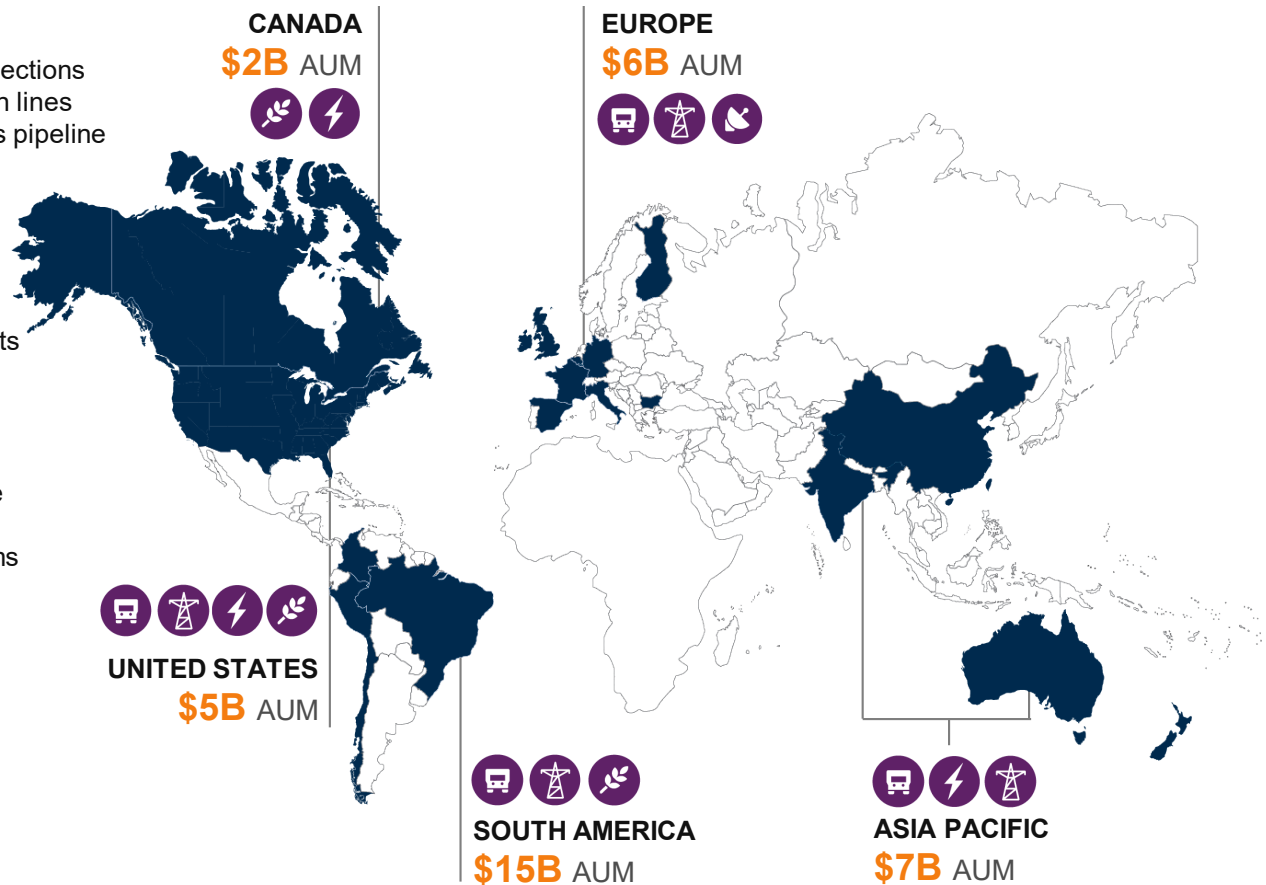
- ~7,000 multi-purpose towers and active rooftop sites
- ~5,000 km of fiber backbone



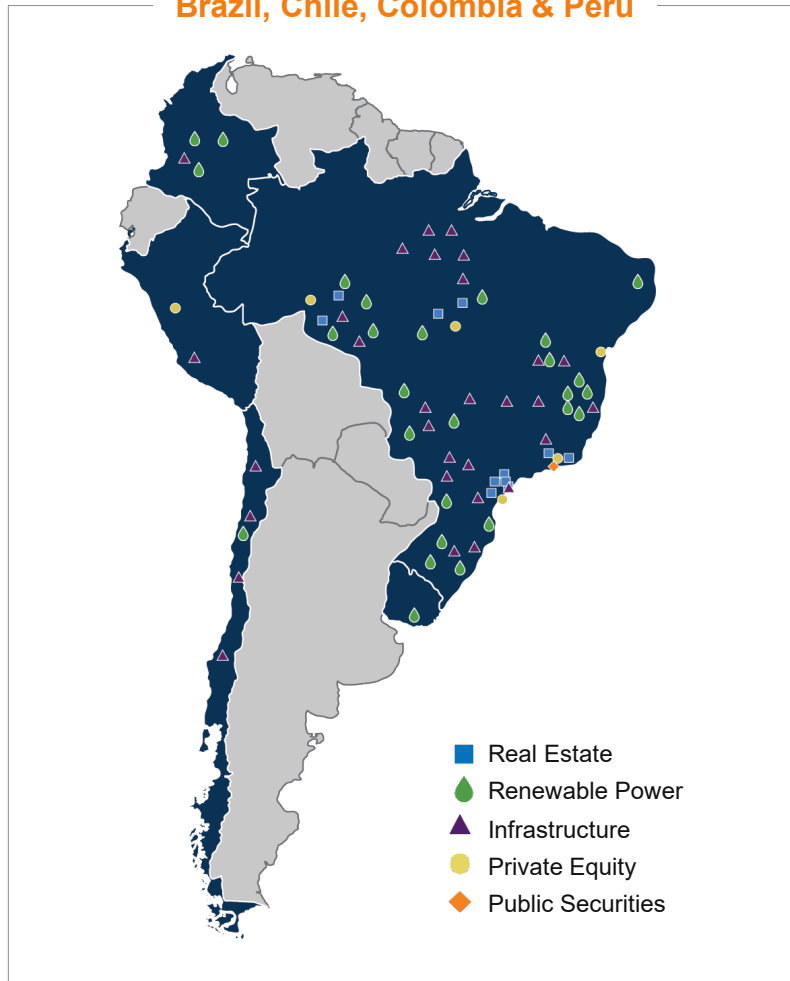
SUSTAINABLE RESOURCES

\$3B AUM

- 3.7 million acres of high-quality timberlands
- 650,000 acres of agricultural lands



Brazil, Chile, Colombia & Peru



Real Estate

- Two core office properties with 762,000 sf of space
- 8 opportunistic office properties with 2.7 million sf of space
- 7 opportunistic retail properties with 2.5 million sf of retail space

Renewable Power

- 49 renewable hydro plants, 21 wind farms and 4 biomass plants (*Brazil, Colombia, Uruguay*)
- Over 1,500 MW of installed capacity (*Brazil*)
- 6 hydro plants and 1 natural gas plant with ~3,000 MW of installed capacity (*Colombia*)
- 2 solar facilities with over 120 MW of capacity (*Chile, Uruguay*)

Infrastructure

- 660,000 acres of timberlands (*Brazil*)
- 1,600 km of electricity transmission systems (*Brazil*)
- 3,400 km toll roads (*Brazil, Chile and Peru*)
- 4,800 km rail network (*Brazil*)
- 650,000 acres of agricultural land (*Brazil*)
- 2,600 km of greenfield electricity transmission systems under development (*Brazil*)
- 2,000 km of natural gas pipelines (*Brazil*)
- 6.5 million electricity and natural gas connections (*Colombia*)

Private Equity and Other

- Business Services: Residential real estate services, financial and advisory services, road fuel distribution
- Industrials: 22 municipal water and sewage treatment assets and 4 industrial water assets
- Residential development

\$33B

AUM

~25,000

EMPLOYEES



~4,800km
Rail

~3,415km
Toll Roads

~4,200km
Transmission Lines

~2,050km
Gas Pipelines

Rail Roads



Toll Roads



Electricity Transmission



Gas Transmission



PROFILE

- 26.5% equity interest in VLI, one of the largest railway operators in Brazil
- 56.6% equity interest in Arteris, the largest toll roads operator in Brazil in terms of extension
- 50% ownership in 4,200km of transmission lines under development in Brazil, with an option to acquire 100% ownership
- 90% equity interest in NTS, the regulated transportation backbone of Brazil's southeast gas system

COMPETITIVE POSITION

- Assets distributed into three logistics corridors, with many captive consumers and high barriers to entry
- Portfolio of 9 toll road concessions consisting of critical motorways across Brazil
- Established stable concession program
- Tolling regime allowing for inflation tariff increases
- Assets distributed in the northeastern states and north of Minas Gerais
- Regulated monopoly that earn a return on their rate base
- Regulated utility structure serving the key regions of Rio, Sao Paulo and Minas Gerais
- Fully contracted business with a fixed, inflation protected and regulatory return

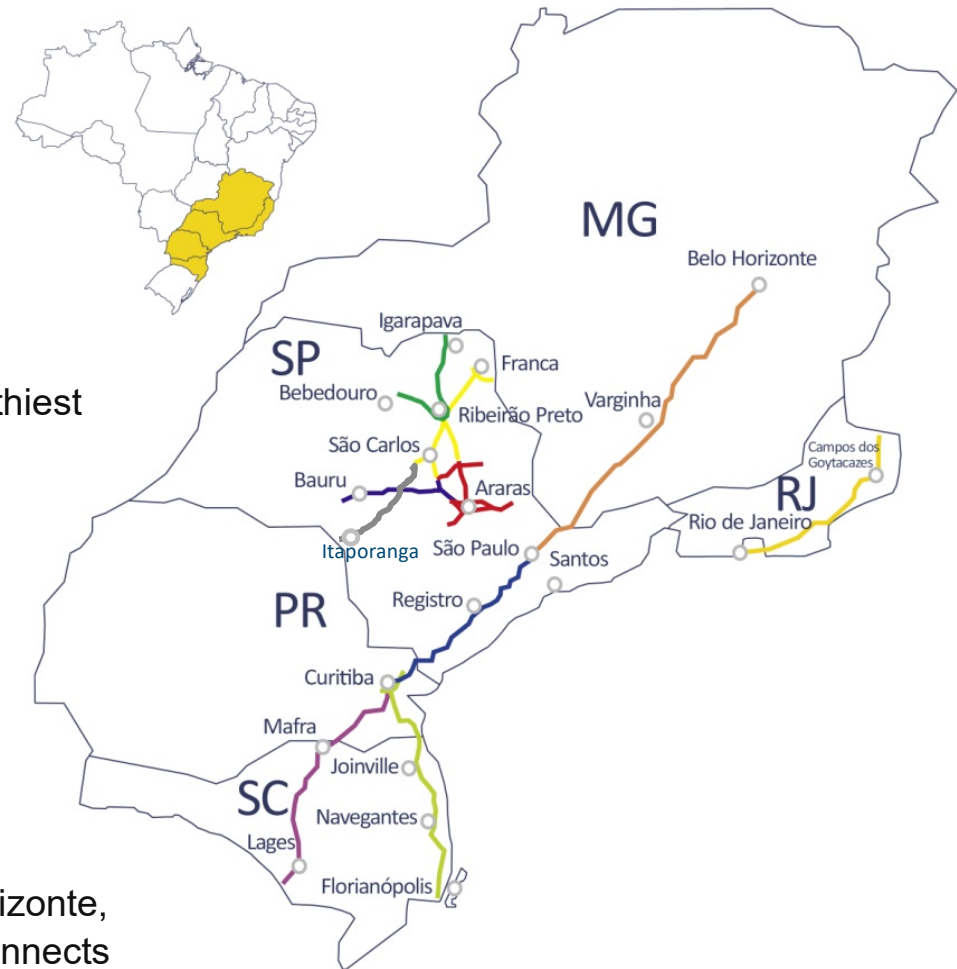


Arteris



Largest company in Brazil's toll-road industry by km

- 3,650 km (~18% market share) ⁽¹⁾
- 10 Toll Road Concessions ⁽¹⁾
- 52 Toll Plazas
- 13 years average concession life
- Diversified and balanced portfolio in Brazil's wealthiest regions
- Presence in **5 states**, that concentrate:
 - 63% of country's GDP
 - 43% of country's population
 - 2/3 of country's vehicle fleet
- **Strategic corridors** such as São Paulo-Belo Horizonte, São Paulo Curitiba and Curitiba-Florianópolis. Connects Brazil with Mercosul

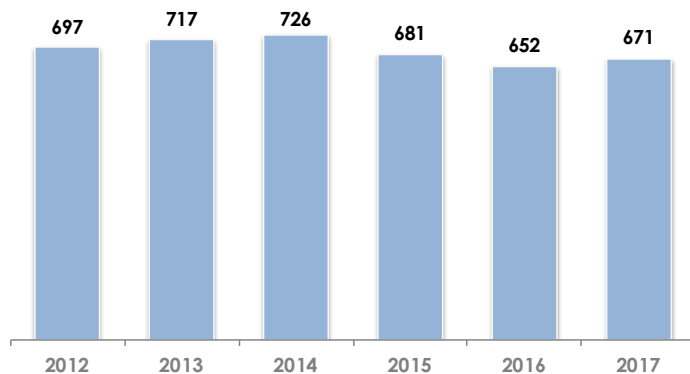




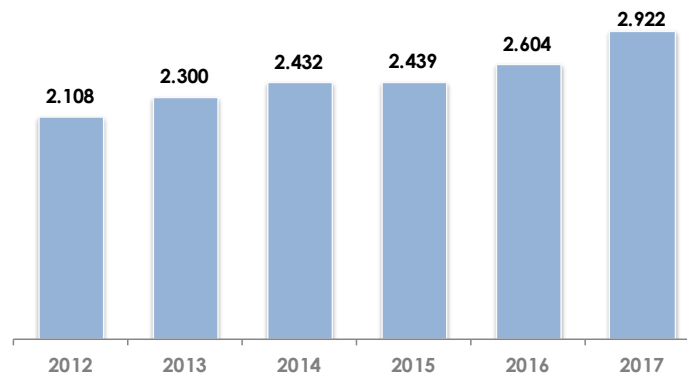
Business Performance

Brookfield

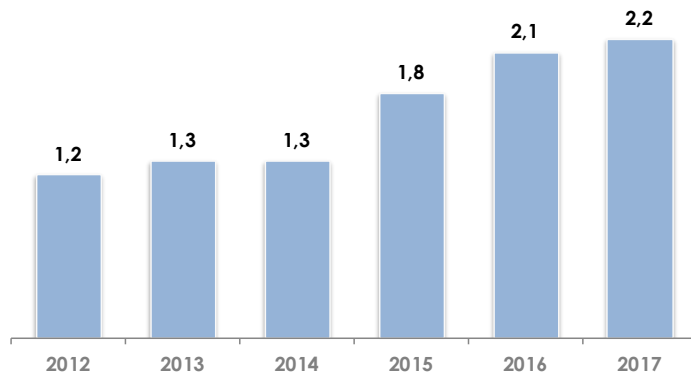
Traffic
Mn Equivalent Vehicles



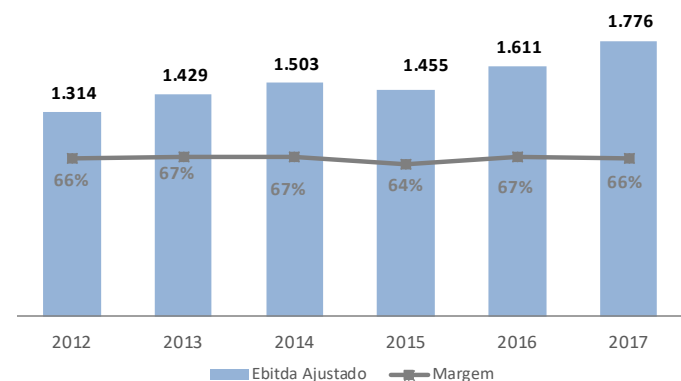
Toll Revenue
(R\$ mn)



CAPEX
(R\$ bn)



Adj. EBITDA & Margin





Serra do Cafezal duplication

Brookfield





VLI





➤ Unmatchable footprint supporting growth prospects

Operational and commercial presence in both **mature** industrial markets **and** **growing** agriculture frontiers

➤ Integration as the key to grow with high returns

Inland terminals and port terminals developed to **maximize the productivity** and returns of **rail investments**

➤ Operational and commercial track record

30+ year experience serving **more than 100 clients** including largest steel mills, commodities traders and industries in Brazil

7,000km **8 terminals**

RAIL TRACKS

AGRO AND STEEL

3 ports

3 CONNECT TO RAILS

23,000

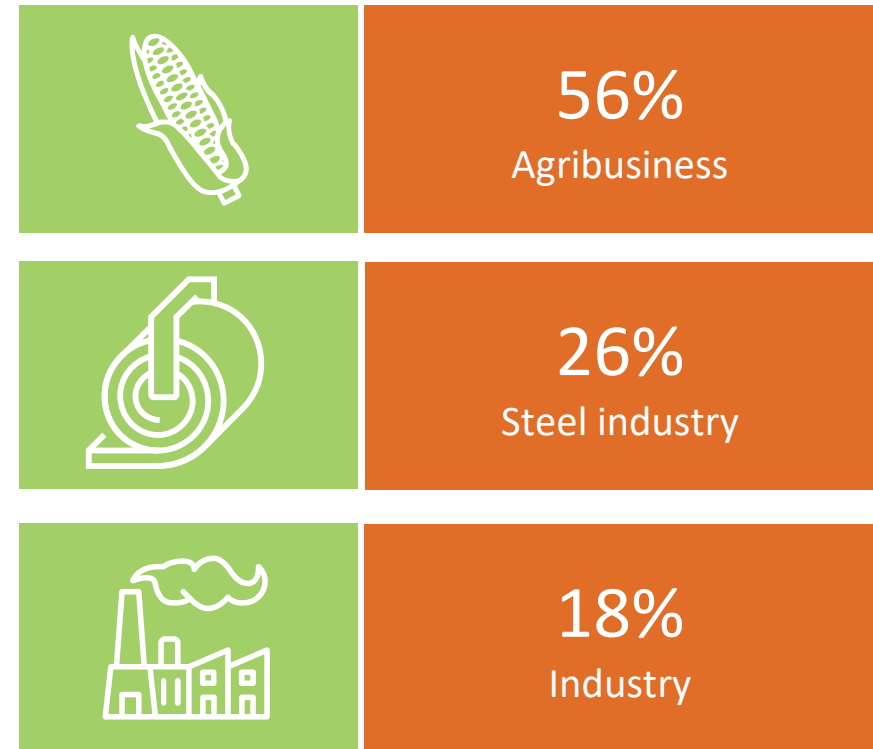
RAIL CARS

VLI Business Overview - Diversified Portfolio

Brookfield



Main Clients

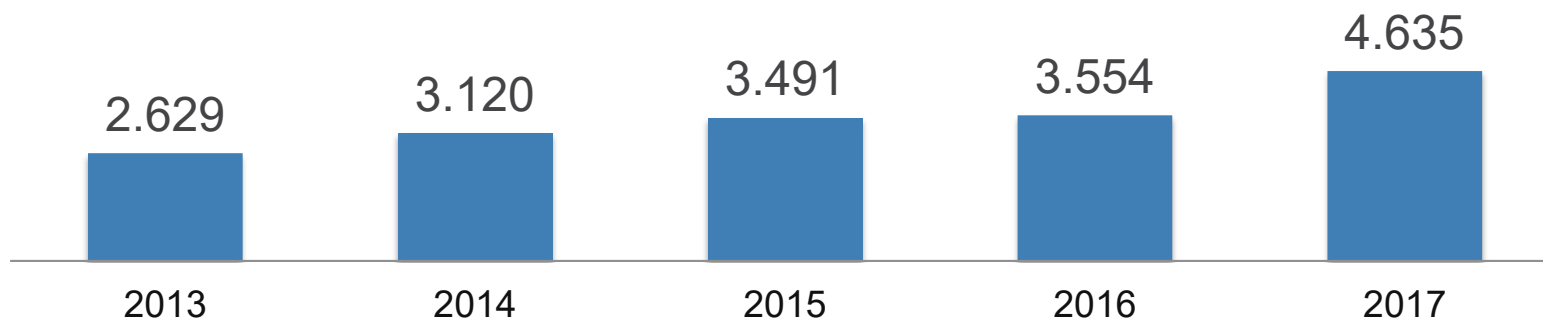


Source: VLI Revenues in 2017

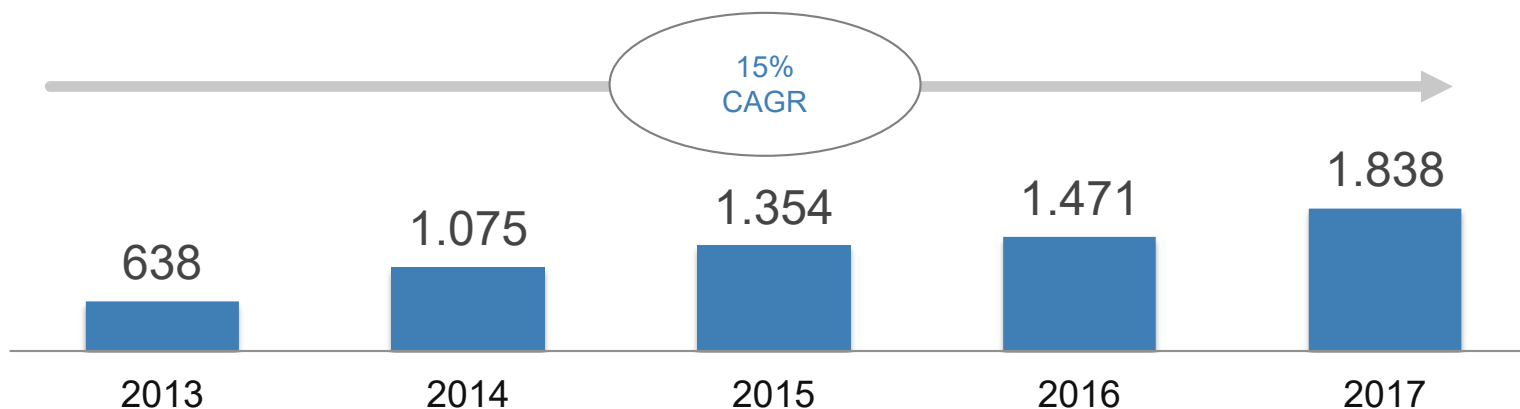
Key Financial and Performance Indicators

Brookfield

Net Revenues
R\$ millions



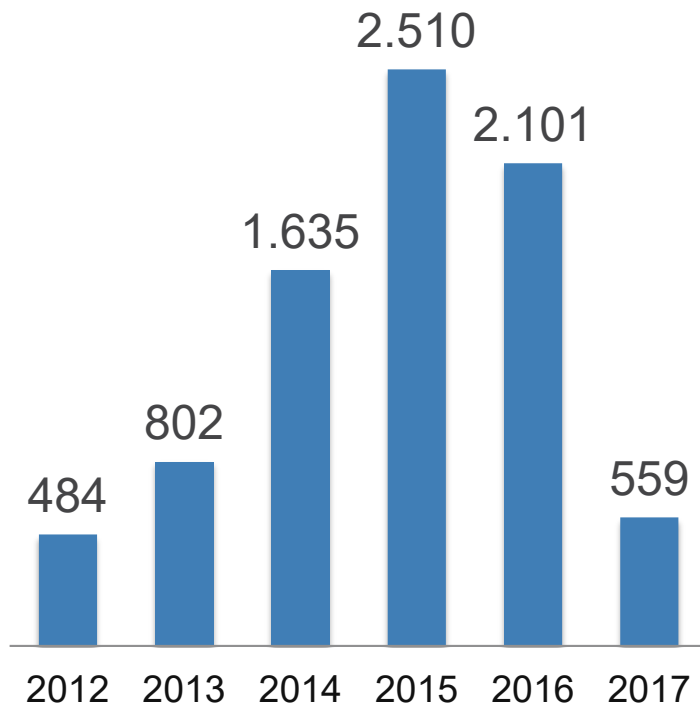
EBITDA
R\$ millions



Significant Investment Program Complete

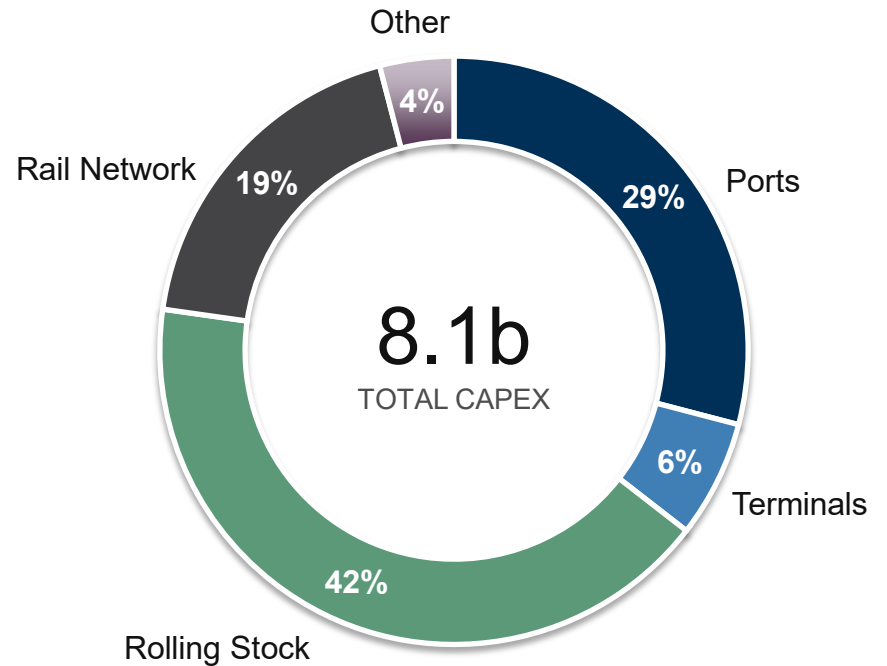
Expansion Capex per Year

R\$ millions



2012 – 2017 Capex Breakdown

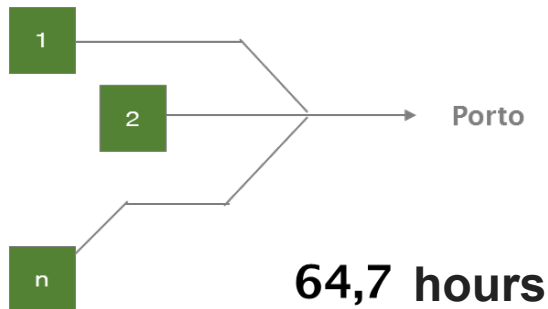
R\$ million



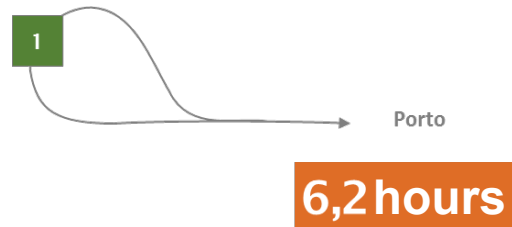
Integrated system that reduces costs and increases reliability



Before:



After



Provides greater efficiency in the allocation of investments

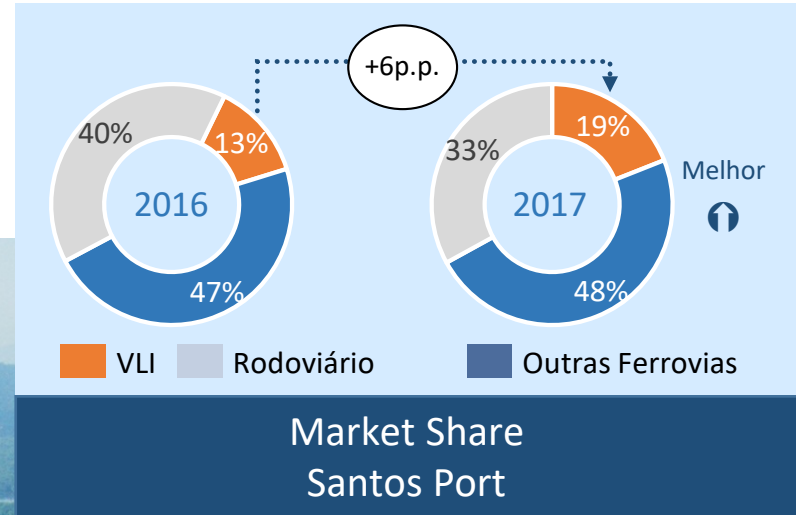
Provides scale of production due to integrated planning

Reduces cost to customer both in wagon and ships demurrage

Captures demand growth in the three modes: terminals, railways and ports

VLI Business Overview – Integrated System

Brookfield



Tiplam:

6x more capacity

60% reduction in train cycle time

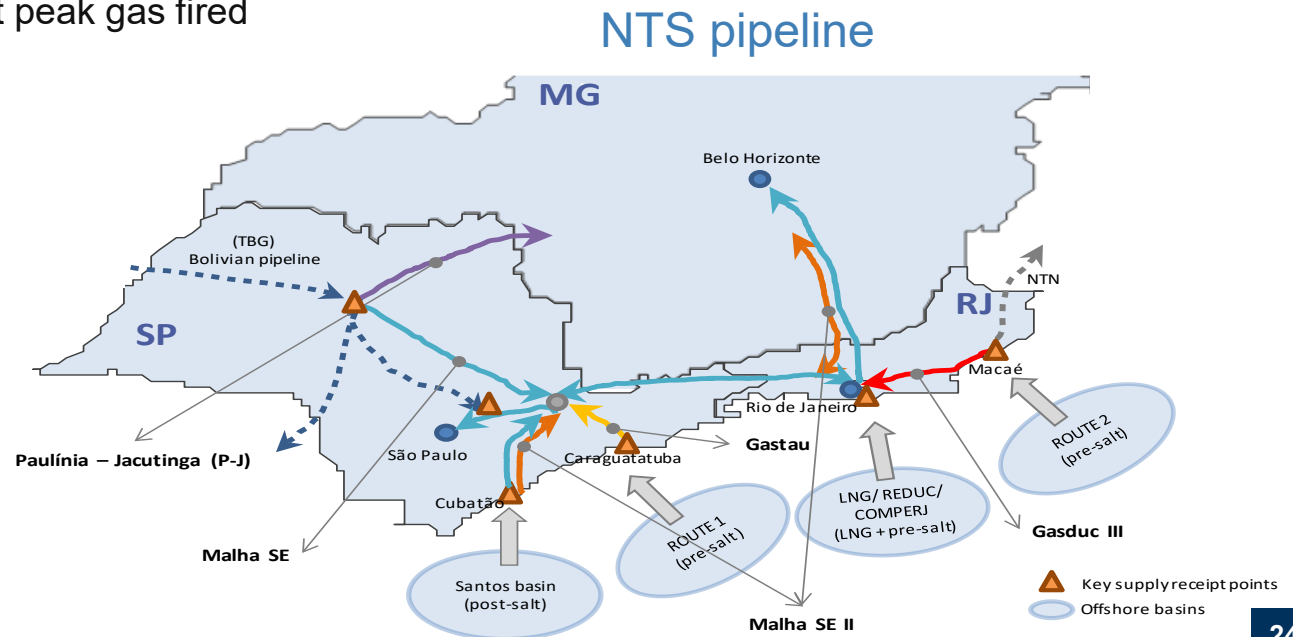
3 new berths



NTS

The NTS pipeline system totals over 2,000km in length and is well located in the economic center of the country

- Total of 12 gas pipelines
- 5 Gas Transportation Agreements (“GTAs”), with combined 158MMcm/d of capacity fully contracted with Petrobras
- Critical component of the Brazilian national gas transportation network, connecting Rio de Janeiro, Sao Paulo and Minas Gerais with: 1) the TBG pipeline, which delivers gas from Bolivia, 2) the pre-salt basin oil & gas fields, and 3) the northern pipeline system of TAG
- Built to cover demand at peak gas fired power demand



Gas demand expected to increase in the long term, driven by thermal power plant growth, industrial consumption and gas from new pre-salt supply

- During the last 10 years, large investments were made in gas transportation sector, as result, in the mid term, expansions will be mainly driven by organic growth:
 - Large associated gas supply from pre-salt development will drive demand growth in the long term creating opportunities for future expansions in the NTS system
 - Network today has peak demand of almost 80% of capacity so additional capacity could be required in coming years
 - Gas-fired generation serves as a flexible backup to balance the year-to-year variability in hydro
- The acquisition of NTS allows us to gain experience in the sector and play relevant position in the regulatory environment.



AUM NTS

\$5.7b

- 2048 KM of gas transportation
- Located at SP, RJ and MG
- 158m m3/day fully contracted



COMPRESSION STATION - ECOMP TAUBATÉ

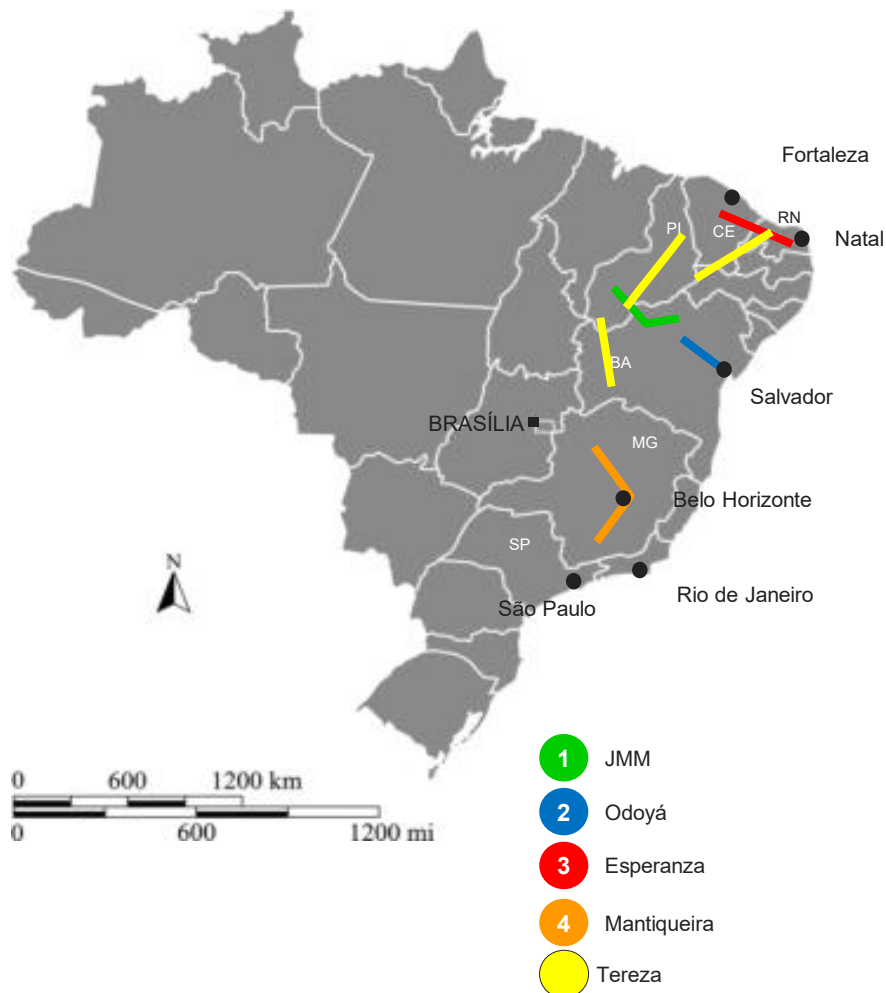


Quantum

- Brookfield is involved in the development and construction of 7 greenfield transmission lines in Northeastern Brazil
- Projects were won in a competitive auction and are awarded by ANEEL (National Agency for Electric Energy) under a 30 year Concession Contract
- Our partner is Grupo ACS from Spain through their affiliate, Cymi
- Cymi is 50% equity investor with Brookfield during the development phase and takes on 100% of the development and construction risk
- These assets qualify under existing BNDES financing programs
- 100% inflation indexed revenues with no volume risk

Investment Highlights

Brookfield will own 7 projects, totaling ~4,200 km of transmission lines with an estimated equity investment of R\$3.8 bn



Description	Total
Description	30 transmission lines 14 substations
Length	4,200 km
Expected Operation Start Date	Between Sept 2016 and Feb 2022
End of Concession	Aug 2044 to Feb 2047
Financial Highlights (R\$ mm)	Total
Net Revenues	1,514
EBITDA	1279
Total Capex¹	8,827
Leverage	60% to 70%
Total Equity²	3,785

(1) Comprised by development and maintenance capex

(2) Equity considers 50% of development capital and option to acquire 50% of CYMI's stake

Project Denise: Odoya, Esperanza and JMM



Odoya. 500Kv – Sapeaçu – Morro do Chapéu II.
Cable installation



Esperanza. Substation João Câmara III
Overall View of bay CID



JMM. Substation Igarorã III 230Kv
Installation of access gantry



Odoya 500Kv – Sapeaçu – Morro do Chapéu II
Conductor cable stapling



Esperanza. 500Kv – Quixadá II – Açú III
Assembly of self supporting tower



JMM. Substation Gilbués 230Kv
Earthworks

Por que investir no Brasil?



- Alto potencial de crescimento: população relativamente jovem e grande possibilidade de expansão da classe média
- Demanda reprimida e oferta reduzida de energia, saneamento e transporte
- Tradição democrática sólida e instituições fortes
- Mercado aberto a investimentos estrangeiros e empresas globais

- O país investe anualmente cerca de 2% do PIB em infraestrutura desde 2000, metade do que outros países em desenvolvimento
- Somente 15% das rodovias no Brasil são pavimentadas
- Apenas 50% dos brasileiros tem coleta de esgoto
- Demanda reprimida no consumo de energia: consumo per capita do brasileiro é seis vezes menor que o do canadense e metade do consumo do chileno
- Necessidade massiva de investimentos em transmissão: país de dimensão continental com potencial de geração de energia localizada distante dos centros de consumo
- Demanda crescente por gás natural: consumo industrial, térmicas e pré-sal
- Somente 20% do transporte de carga é feito por ferrovias. Nos EUA, total chega a 50%

①

Financiamento de longo prazo: mercado de capitais fortalecido, instituições privadas e bancos de fomento

②

Agências reguladoras fortes e independentes, redução da volatilidade cambial

③

Estabilidade regulatória e redução do risco político

④

Investidores com capacidade financeira e de execução