

CAPITAL POWER CORPORATION

Consolidated Statements of Changes in Equity
(In millions of Canadian dollars)

	Share capital (note 24)	Cash flow hedges ¹	Cumulative translation account ¹	Available- for-sale financial assets ¹	Defined benefit plan actuarial gains (losses) ¹	Employee benefits reserve	Retained earnings	Equity attributable to shareholders of the Company	Non- controlling interests	Total
Equity as at January 1, 2011	\$ 820	\$ 7	\$ (7)	\$ 1	\$ (2)	\$ 6	\$ 8	\$ 833	\$ 1,779	\$ 2,612
Net income	-	-	-	-	-	-	77	77	111	188
Other comprehensive income (loss):										
Net change in fair value of available-for-sale financial assets	-	-	-	(2)	-	-	-	(2)	-	(2)
Cash flow derivative hedge losses	-	(118)	-	-	-	-	-	(118)	-	(118)
Reclassification of losses to income	-	53	-	-	-	-	-	53	-	53
Reclassification of ineffective portion to income	-	2	-	-	-	-	-	2	-	2
Defined benefit plan actuarial losses	-	-	-	-	(7)	-	-	(7)	-	(7)
Unrealized gain on foreign currency translation	-	-	39	-	-	-	-	39	-	39
Losses realized in net income on disposal of CPILP	-	23	11	(3)	-	-	-	31	-	31
Tax on items recognized directly in equity	-	(1)	-	2	2	-	-	3	-	3
Attributed to non-controlling interests	-	25	(26)	2	-	-	-	1	(1)	-
Other comprehensive income (loss)	-	(16)	24	(1)	(5)	-	-	2	(1)	1
Total comprehensive income (loss)	-	(16)	24	(1)	(5)	-	77	79	110	189
Issue of share capital	694	-	-	-	-	(1)	3	696	(242)	454
Transaction costs	(20)	-	-	-	-	-	-	(20)	-	(20)
Deferred taxes	5	(1)	-	-	-	-	-	4	-	4
Distributions to non-controlling interests	-	-	-	-	-	-	-	-	(115)	(115)
Additional investment by non-controlling interests	-	-	-	-	-	-	-	-	11	11
Reduction in non-controlling interests on disposal of CPILP	-	-	-	-	-	-	(6)	(6)	(474)	(480)
Issue of partnership units	-	-	-	-	-	-	-	-	14	14
Common share dividends (note 24)	-	-	-	-	-	-	(60)	(60)	-	(60)
Preferred share dividends (note 24)	-	-	-	-	-	-	(6)	(6)	-	(6)
Preferred share dividends paid by subsidiary	-	-	-	-	-	-	-	-	(11)	(11)
Share-based compensation	-	-	-	-	-	3	-	3	-	3
Equity as at December 31, 2011	\$ 1,499	\$ (10)	\$ 17	\$ -	\$ (7)	\$ 8	\$ 16	\$ 1,523	\$ 1,072	\$ 2,595

¹ Accumulated other comprehensive income (loss). Other reserves on the statements of financial position are the aggregate of accumulated other comprehensive income (loss) and the employee benefits reserve.

See accompanying notes to the consolidated financial statements