

BORALEX



Financial Review

1st Quarter 2015

May 6, 2015

Disclaimer

Forward-looking Statements

Certain statements contained in this presentation, including those regarding future results and performance, are forward-looking statements based on current expectations. The accuracy of such statements is subject to a number of risks, uncertainties and assumptions that could lead to a material difference between actual results and the projections, including, but not limited to, the general impact of economic conditions, raw material price increases and availability, currency fluctuations, volatility in the selling prices of energy, the Corporation's financing capacity, negative changes in general market conditions and regulations affecting the industry, as well as other factors listed in the Corporation's filings with different securities commissions.

This presentation contains certain financial measures that are non IFRS measures. For more information, please refer to Boralex's interim report.

Proportionate Consolidation

This financial review has been prepared on a proportionate consolidation basis. The results of Seigneurie de Beaupré Wind Farms 2 and 3 ("Joint Venture Phase I") and Seigneurie de Beaupré Wind Farm 4 ("Joint Venture Phase II") General Partnerships (the "Joint Ventures" or the "Joint Ventures phases I and II"), which are 50% owned by Boralex, were proportionately consolidated instead of being accounted for using the equity method as required by IFRS. Since the information that Boralex uses to perform internal analyses and make strategic and operating decisions is compiled on a proportionate consolidation basis, management has considered it relevant to use this accounting basis for this presentation to help investors understand the concrete impacts of decisions made by the Corporation. Moreover, tables reconciling IFRS data with data presented on a proportionate consolidation basis are included in the MD&A.



Mr. Patrick Lemaire

*President and
Chief Executive Officer
Boralex Inc.*

Highlights

Q1 2015

Financial results

- ✓ In Q1 2015, production, revenues, adjusted EBITDA and adjusted cash flows from operations are up by 27%, 21%, 21% and 18% respectively

Acquisition of wind projects

- ✓ On January 12, 2015, the Corporation acquired a 67% interest in the 24 MW Frampton wind project in Quebec for \$12.1 M
- ✓ On February 5, 2015, the Corporation acquired the 13.8 MW Touvent wind project in France for €3.5 M (\$5 M)

Share issuance

- ✓ On January 12, 2015, issuance of 8 430 000 common shares at a unit price of \$13.05
- ✓ On January 30, 2015, partial exercise of the over-allotment option of 1 075 000 shares at a unit price of \$13.05
- ✓ These issuances generated gross proceeds of \$124 M
- ✓ Increased liquidity as float is raised by 9 505 000 shares

Highlights

Q1 2015

Purchase of the minority interest of the european partner Cube

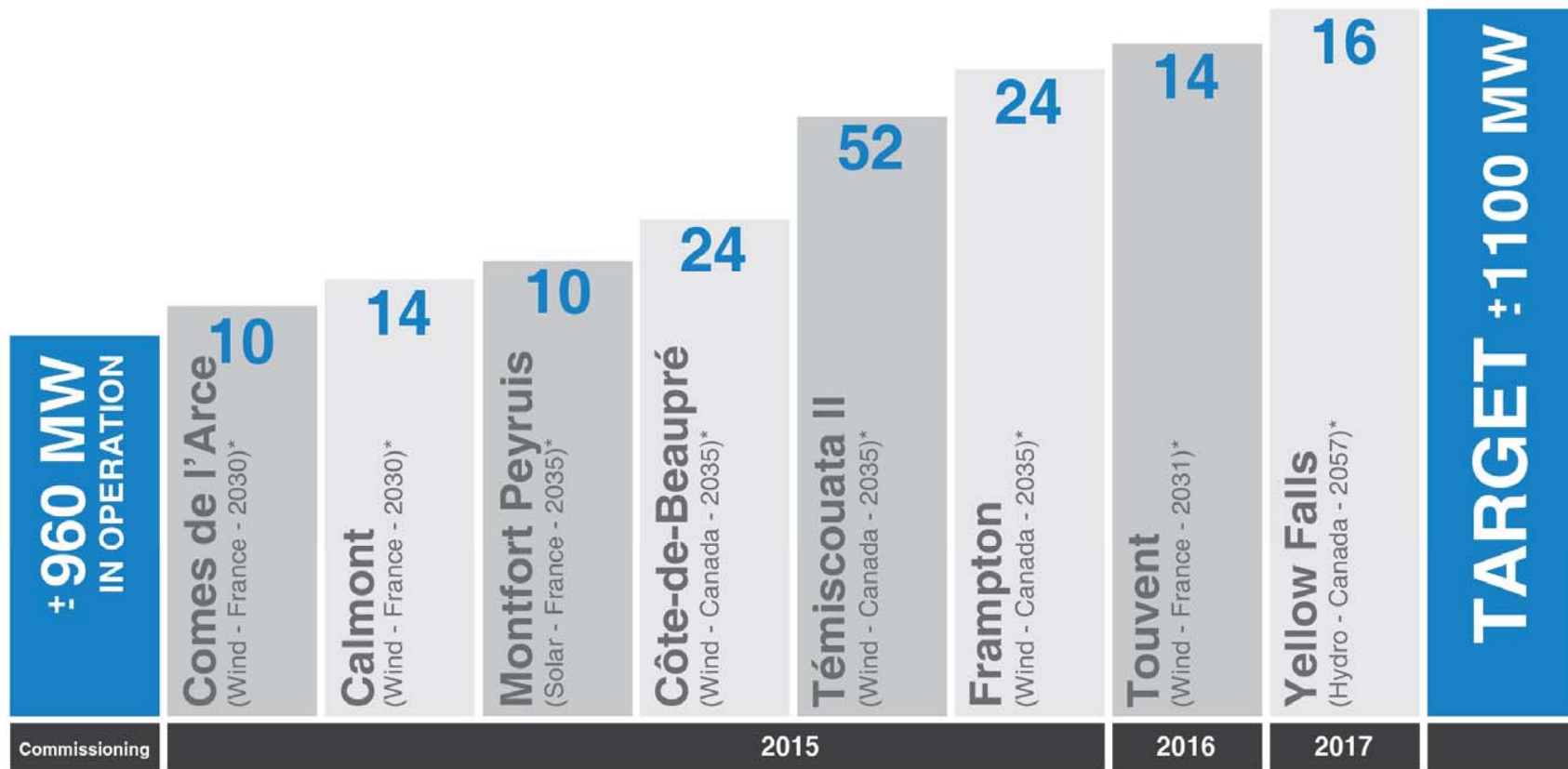
- ✓ On February 27, 2015, the Corporation purchased Cube's 25% interest in Boralex Europe S.A. for an amount of €56 M (\$78.4 M)
 - Amount of €16 M payable by the end of 2015
 - 2 loans totalling €40 M bearing interest at a fixed rate of 6.5% with no repayment until maturity in January 2019

Commissioning

- ✓ On March 9 (Q1) and April 13, 2015 (Q2), commissioning of the 22.8 MW St-François wind farm in France. The site is expected to generate EBITDA of approximately \$5 M annually
- ✓ On April 13, 2015, commissioning of the 10 MW Comes de l'Arce wind farm in France. The site is expected to generate EBITDA of approximately \$2 M annually

The Growth Path

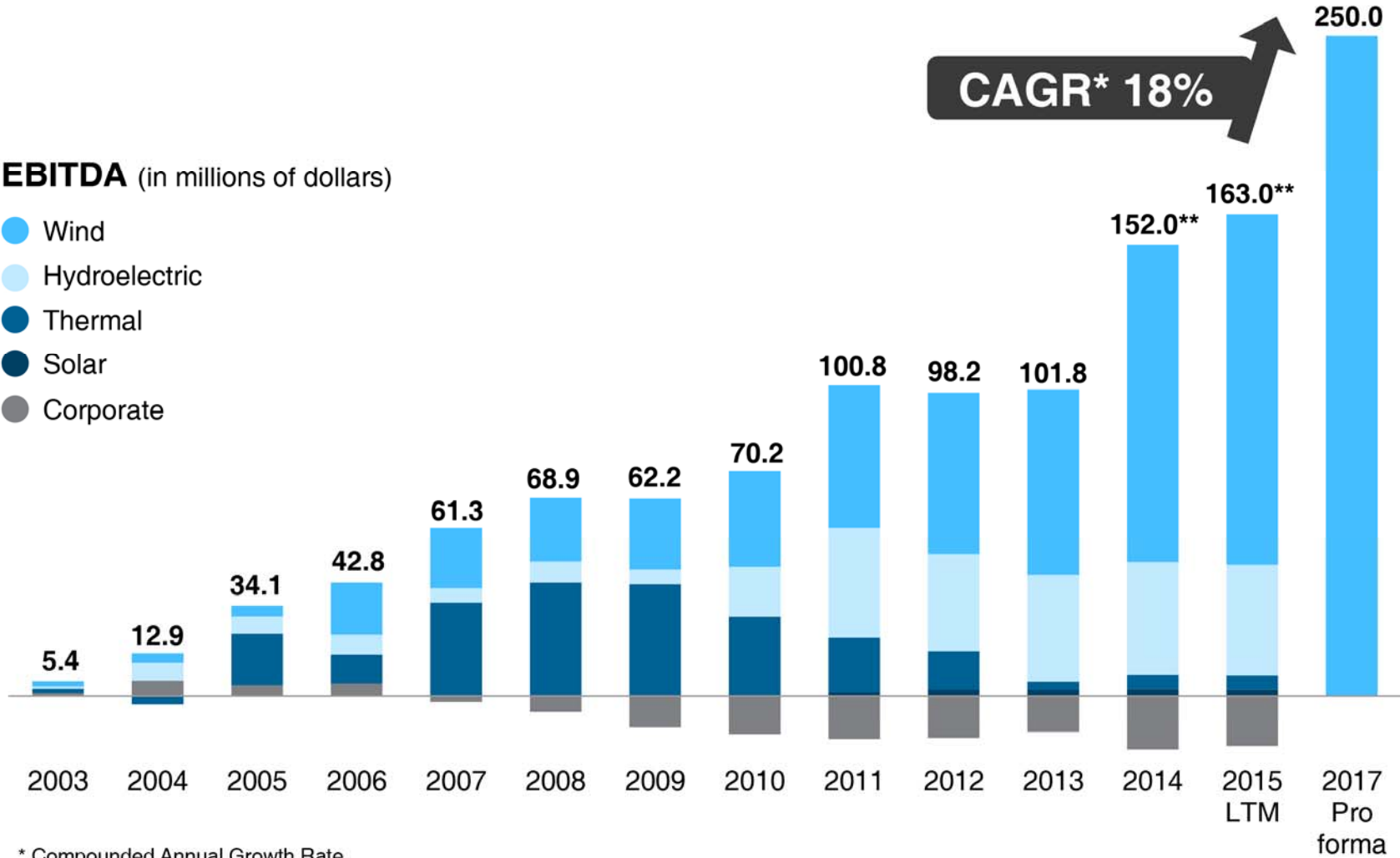
As at March 31, 2015



* Represent, in order, the segment, the country and the contract end-date.

Financial Target

Q1 2015



* Compounded Annual Growth Rate

** Adjusted EBITDA (see the *Non-IFRS Measures* section for a conciliation of the adjusted EBITDA)



**Mr. Jean-François
Thibodeau**

*Vice president and
Chief Financial Officer
Boralex Inc.*

Summary

Q1 2015

	Q1 2015	Q1 2014
<i>(in thousands of dollars, except power production, EBITDA margin, and per share amounts)</i>		
Power Production (GWh)	733.5	577.3
Revenues from energy sales	91,174	75,522
EBITDA	62,315	51,757
EBITDA margin (%)	68.3%	68.5%
EBITDA - adjusted ⁽²⁾	62,803	51,757
EBITDA margin (%) - adjusted ⁽²⁾	68.9%	68.5%
Net earnings ⁽¹⁾	6,606	7,887
Net earnings, per share (basic) ⁽¹⁾	\$0.14	\$0.21
Net earnings - adjusted ^{(1) (3)}	9,957	7,887
Net earnings, per share (basic) - adjusted ^{(1) (3)}	\$0.21	\$0.21
Cash flow from operations	42,753	36,568
Cash flow from operations, per share ⁽¹⁾	\$0.90	\$0.96
Cash flow from operations - adjusted ⁽²⁾	43,241	36,568
Cash flow from operations, per share - adjusted ^{(1) (2)}	\$0.91	\$0.96

(1) Attributable to shareholders of Boralex

(2) EBITDA and Cash flow from operation have been adjusted of acquisition costs of \$0.5 M in 2015

(3) Net earnings have been adjusted by an amount of \$3.4 M in 2015 for acquisition costs (net of taxes) and net loss on undesignated financial instruments (net of taxes)

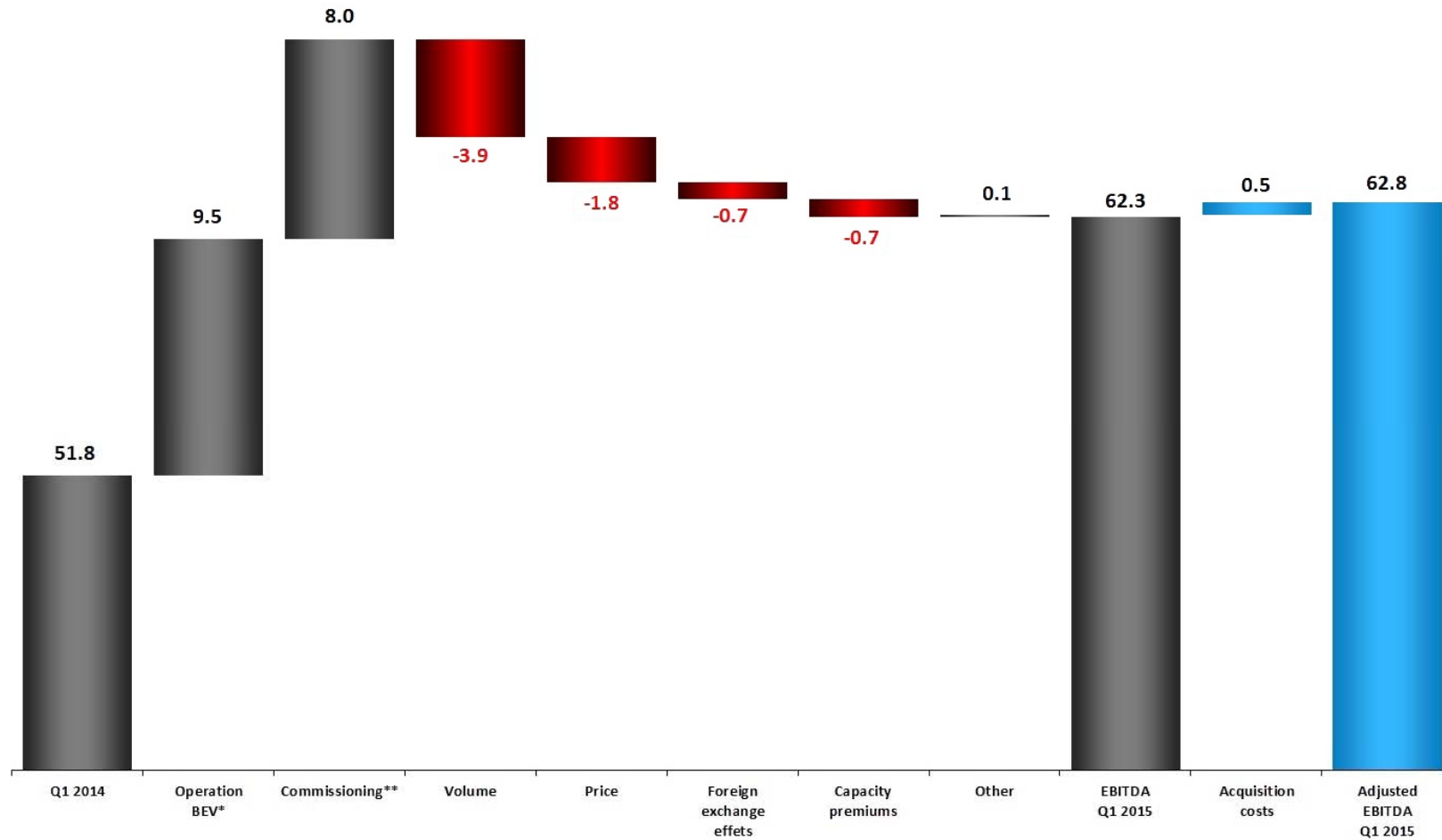
EBITDA by sector

Q1 2015

<i>(in thousands of dollars)</i>	Q1 2015	Q1 2014
Wind	54,494	41,161
Hydroelectricity	9,247	10,167
Thermal	4,525	4,572
Solar	404	491
	68,670	56,391
Corporate and eliminations	(6,355)	(4,634)
EBITDA	62,315	51,757
Acquisition costs	488	—
EBITDA - adjusted	62,803	51,757

EBITDA - Variance Analysis

Q1 2015 vs 2014



(in millions of dollars)

* Boralex Energie Verte or "BEV" refer to Enel Green Power France S.A.S. assets acquired in December 2014

**Commissioning of the Jamie Creek hydroelectric facility and the wind sites Fortel-Bonnières, Témiscouata I, phase II of Seigneurie de Beauré and 50% of St-François

Sector Review Q1 2015

Wind Energy

(in thousands of dollars, unless otherwise specified)

	Q1	
	2015	2014
Power Production (GWh)	559.8	381.4
Utilization factor	34.8%	35.9%
Revenues from energy sales	67,369	47,948
EBITDA	54,494	41,161
EBITDA margin (%)	80.9%	85.8%

▲ **Production was higher by 47% vs Q1 2014**

▲ **Lower by 4% excluding the commissioned sites and the acquisition of BEV**

PRODUCTION	
Canadian Stations	European Stations
37% higher vs Q1 2014 6% higher excluding the contribution of Seigneurie de Beaupré phase II and Témiscouata I	57% higher vs Q1 2014 15% lower excluding the contribution of Fortel, St-François and the acquisition of BEV (however in line with expectations and historical averages)

▲ **The full contribution during the quarter of Seigneurie de Beaupré phase II and Témiscouata I had a positive impact on EBITDA of \$6.0 M**

▲ **The full contribution of Fortel and BEV, as well as the partial commissioning of St-François during the quarter, had a positive impact on EBITDA of \$12.1 M**

Sector Review Q1 2015

Hydro Energy

(in thousands of dollars, unless otherwise specified)

	Q1	
	2015	2014
Power Production (GWh)	113.6	123.6
Revenues from energy sales	12,584	13,996
EBITDA	9,247	10,167
EBITDA margin (%)	73.5%	72.6%

- ▲ Production lower by 8% compared to Q1 2014 and lower by 27% compared to historical averages

PRODUCTION	
Canadian Stations	US Stations
12% higher vs Q1 2014 1% lower vs historical averages 6% higher vs Q1 2014 (excluding Jamie Creek)	18% lower vs Q1 2014 38% lower vs historical averages

- ▲ The strengthening of the US dollar had a positive impact of \$0.8 M on EBITDA
- ▲ Average selling price of electricity in the United States
 - 19% lower compared to Q1 2014, negative impact of \$1.5 M on EBITDA

Sector Review Q1 2015

Thermal Energy

(in thousands of dollars, unless otherwise specified)

	Q1	
	2015	2014
Steam production ('000 lbs)	166,624	137,623
Power Production (GWh)	59.2	71.1
Revenues from energy sales	10,736	12,976
EBITDA	4,525	4,572

- ▲ **Electricity production and revenues are 17% lower mostly due to:**
 - **equipment failure**
 - **a decrease of capacity premiums**
 - **lower steam prices at Blendecques**
 - **the depreciation of the Euro**
- ▲ **Regardless of the above, EBITDA is comparable to Q1 2014 due to savings on raw materials**

Sector Review Q1 2015

Solar Energy

	Q1	
	2015	2014
<i>(in thousands of dollars, unless otherwise specified)</i>		
Power Production (GWh)	1.0	1.2
Utilization factor	9.5%	10.8%
Revenues from energy sales	485	602
EBITDA	404	491
EBITDA margin (%)	83.3%	81.6%

▲ EBITDA is comparable to Q1 2014

Sector Review Q1 2015

Corporate

	Q1	
	2015	2014
<i>(in thousands of dollars)</i>		
Development	2,238	1,013
Administrative	3,167	3,198
Other	950	423
Corporate EBITDA	6,355	4,634
Acquisition costs ⁽¹⁾	(488)	—
Corporate EBITDA - adjusted	5,867	4,634

⁽¹⁾ Acquisition costs incurred for the acquisition of various projects

Cash Flows

Q1 2015

	Q1	
	2015	2014
<i>(in thousands of dollars)</i>		
Cash flows from operations	42,753	36,568
Acquisition costs	488	—
Cash flows from operations - adjusted	43,241	36,568
Changes in non cash items	4,127	3,950
Operating activities	47,368	40,518
Investing activities	(48,264)	(45,655)
Financing operations	1,463	19,554
Discontinued operations	—	1,215
Acquisition costs	(488)	—
Translation adjustment	670	2,135
Net variation in cash flows	749	17,767
Cash and cash equivalents – beginning of period	86,845	127,541
Cash and cash equivalents – end of period	87,594	145,308

Financial Position

Q1 2015

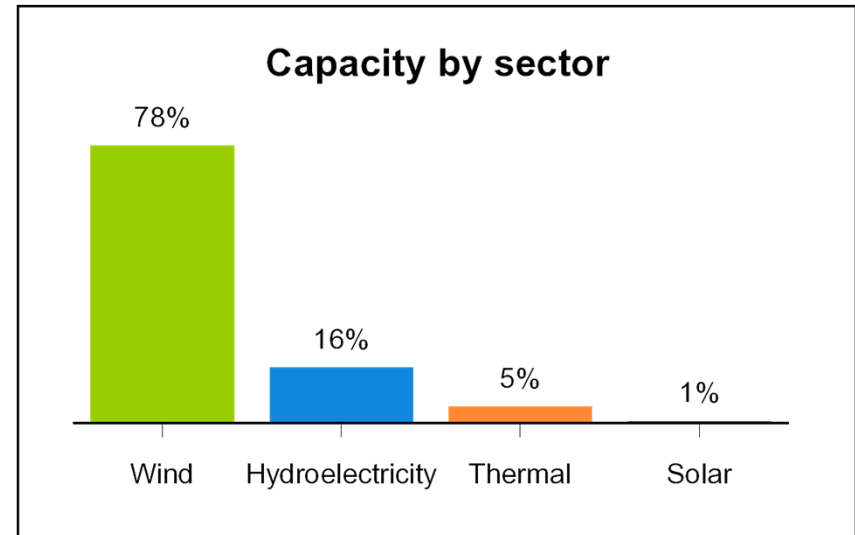
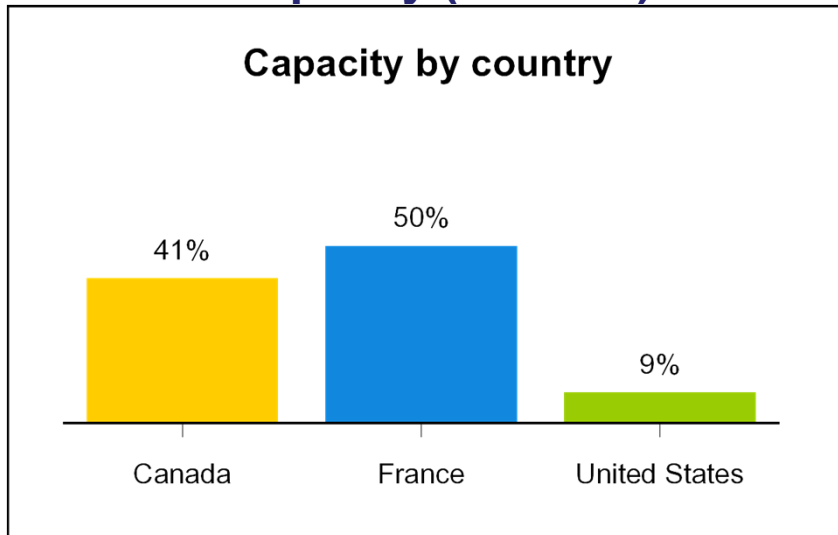
<i>(in thousands of dollars, unless otherwise specified)</i>	March 31, 2015	December 31, 2014
Cash and cash equivalent	87,594	86,845
Restricted cash	13,462	19,814
Total assets	2,301,997	2,288,750
Net debt ⁽¹⁾	1,370,056	1,309,613
Convertible debentures - nominal value	244,323	244,337
Average rate - total debt	4.90%	4.83%
Equity attributable to shareholders' of Boralex ⁽²⁾	365,937	302,674
Book value per share	\$7.66	\$7.91
Net debt ratio	69.3%	66.3%

(1) Excludes Convertible debentures and Bridge facility as at December 31, 2014

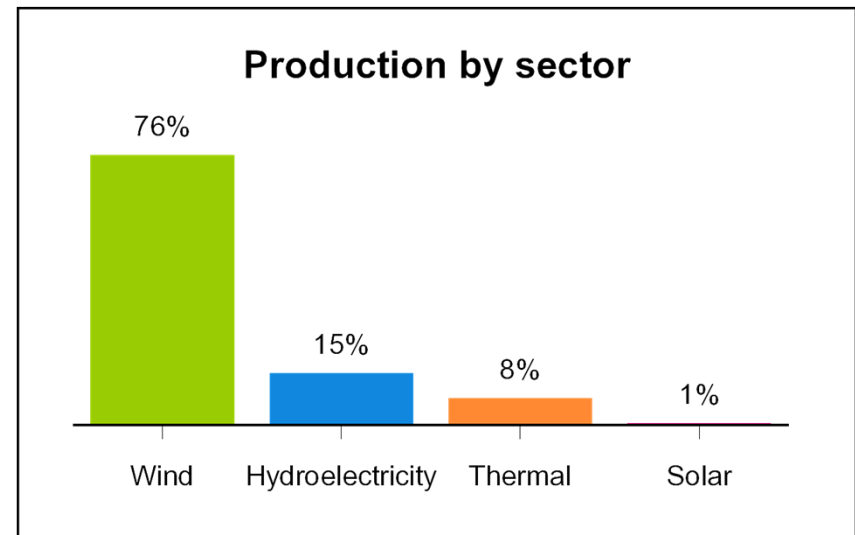
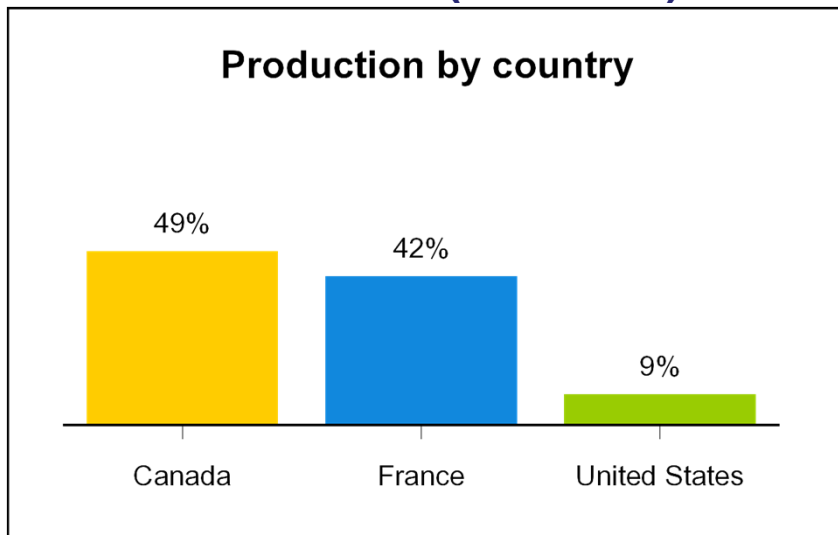
(2) Excludes Non-controlling shareholders

Geographical and Segment Review as of March 31, 2015

Installed Capacity (960 MW)

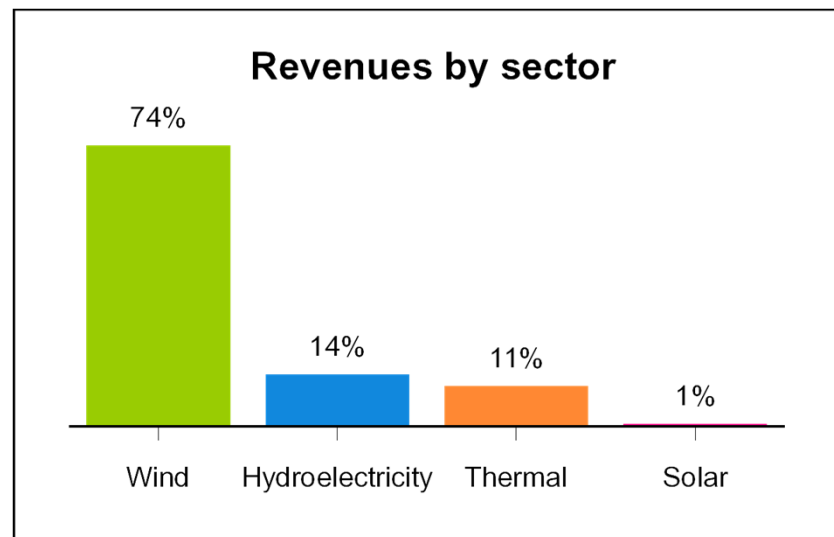
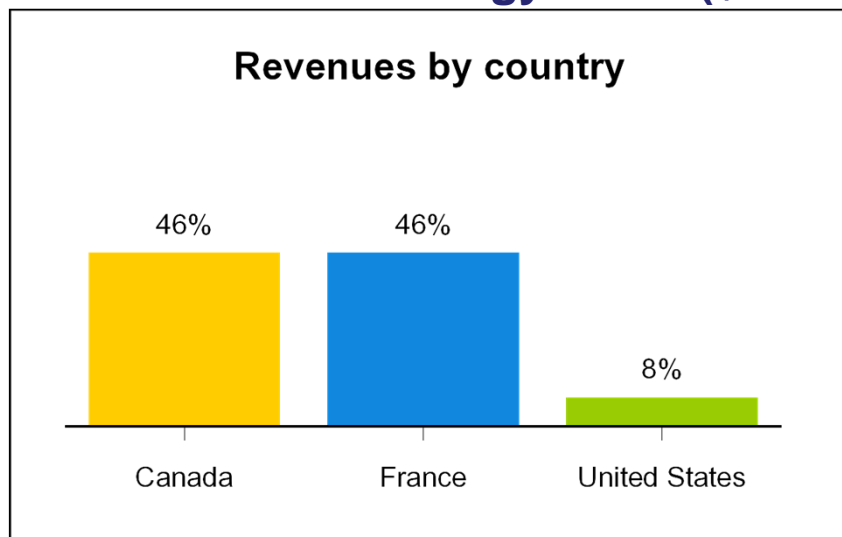


Power Production (734 GWh)

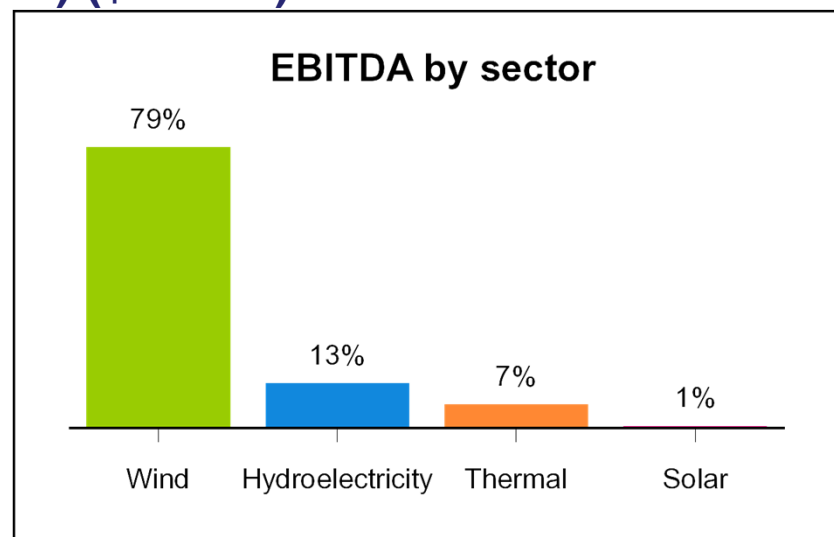
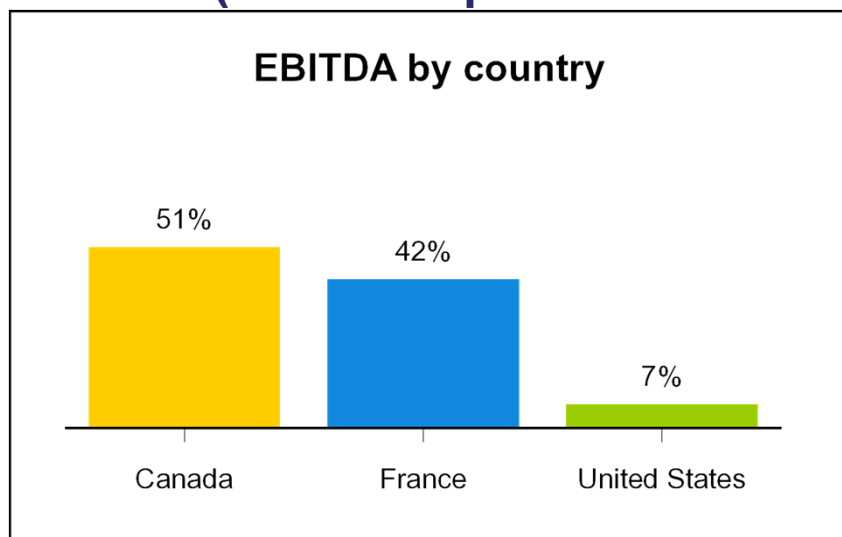


Geographical and Segment Review as of March 31, 2015

Revenues from Energy Sales (\$91.2 M)



EBITDA (before corporate and elimination) (\$68.7 M)



Question Period

