Boralex Inc.

Financial Review

1st Quarter 2008

May 12, 2008

energy creator

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FORWARD-LOOKING
statement disclaimer

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Certain statements in this presentation, including statements 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 may cause actual results to differ materially from those projected, including, but not limited to, the effect of general economic conditions, increases in raw material costs, changes in the relative values of certain currencies, fluctuations in selling prices, adverse changes in general market and industry conditions and other factors listed in the Company's filings with different securities commissions.

This presentation contains certain non-GAAP financial measures. Refer to the section Segmented Information of the quarterly consolidated financial statements for more details.

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Mr. Patrick Lemaire

President and
Chief Executive Officer
Boralex Inc.

highlights Q1 2008

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- Increased production in wind and hydroelectric sectors more than offset a slight decrease in the wood-residue sector
- Better average merchant electricity prices for the hydroelectric and wood-residue power stations
- Following the qualification of the Livermore Falls plant (40 MW) in the 4th quarter of 2007, Boralex qualifies its Ashland (40 MW) plant for the Connecticut REC program. To date in excess of US$50 million of RECs have been sold forward for the period between April 2008 and December 2012
- On May 5, 2008 the consortium formed by Boralex and Gaz Métro obtains 272 MW of contracts from Hydro-Québec. These new wind projects are expected to be commissioned in 2013

summary Q1 2008

Selected financial and operational data *(in thousands of dollars, except production and per share amounts)*	Q1 2008	Q1 2007
Production (MWh)	469,603	459,111
Revenue from energy sales	55,019	50,802
EBITDA	24,365	25,797
Net earnings	9,221	9,777
Net earnings per share basic	$0.25	$0.33
Cash-flows from operations	20,748	20,092
Cash-flows from operations per share	$0.55	$0.67

Mr. Jean-François Thibodeau

Vice President and
Chief Financial Officer
Boralex Inc.

Q1 2008 Sector EBITDA

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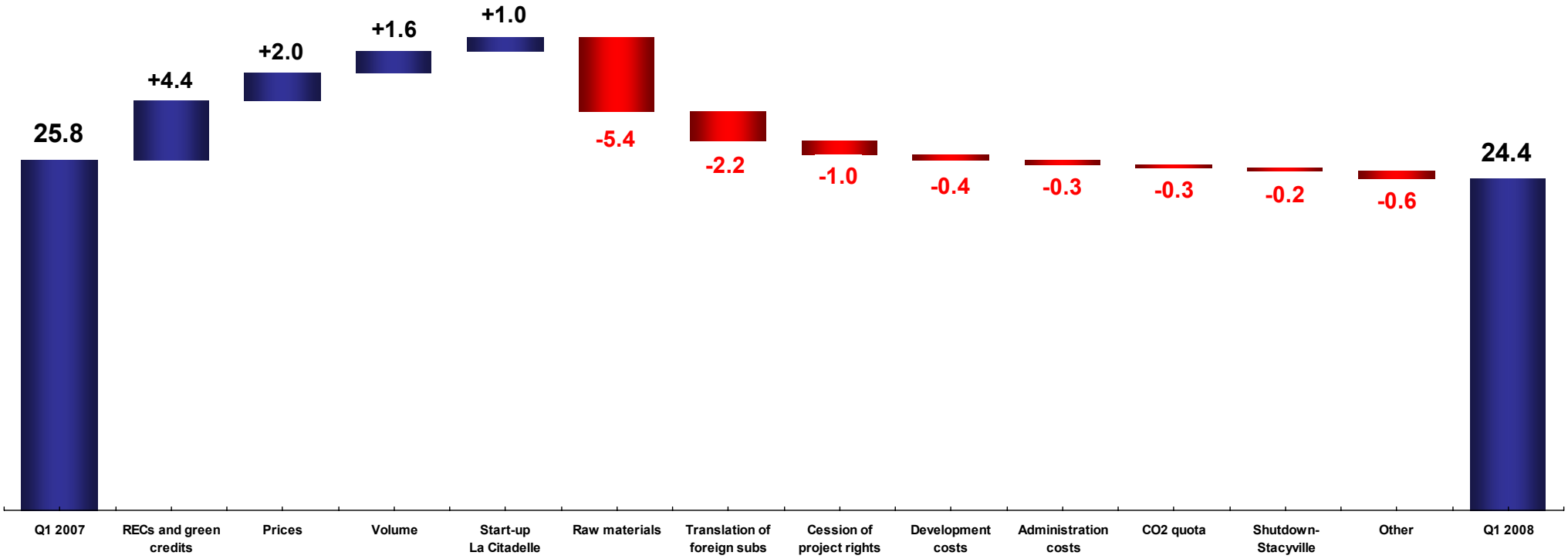
(in thousands of dollars)	Q1 2008	Q1 2007	Variation
Wind	**8,516**	7,070	↗
Hydroelectricity	**3,047**	2,066	↗
Wood residue	**11,083**	12,175	↙
Natural gas	**1,319**	2,105	↙
	23,965	23,416	
Corporate and eliminations	**400**	2,381	↙
Consolidated EBITDA	**24,365**	25,797	↙

variance analysis – EBITDA
Q1 2008 vs Q1 2007



(in millions of dollars)

sector review Q1 2008
wind

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($'000)	Q1 2008	Q1 2007
Production (MWh)	**75,822**	61,976
Revenue from energy sales	**10,170**	8,268
EBITDA	**8,516**	7,070

- **Total production was 22% higher given the contribution from the new «La Citadelle» site and better overall wind conditions and greater availability**
- **In addition to the impact of higher production, the sector benefited from the yearly indexation of electricity prices and the sale of green credits. These factors were, however, offset by the translation of our foreign subsidiaries and other factors, including higher taxes for most of the sites**
- **The commissioning of the 5 MW expansion of the Avignonet-Lauragais site was done on April 1st, 2008. We are also continuing to roll-out our Ontario projects expecting to commission a first 30 MW of capacity by the end of the year**

sector review Q1 2008
hydroelectricity

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($'000)	Q1 2008	Q1 2007
Production (MWh)	**43,380**	33,581
Revenue from energy sales	**3,790**	3,079
EBITDA	**3,047**	2,066

- **A significant increase in water flows between both years explains the 29% increase in production, which translated into more than $800 K of additional EBITDA**
- **Merchant prices received on the US market in the 1st quarter of 2008 were close to 16% higher than those received in 2007 explaining a positive difference of approximately $300 K of EBITDA**
- **The appreciation of the $CAN led to $200 K decrease in EBITDA**

sector review Q1 2008
thermal energy: wood residue

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($'000)	Q1 2008	Q1 2007
Production (MWh)	**327,908**	341,380
Revenue from energy sales	**34,337**	33,360
EBITDA	**11,083**	12,175

- Total production was 4% lower and is explained by the fact that the Stacyville plant operated for two months in 2007 and was shut down in 2008. Without the production of this plant, the production of the sector is close to 8,000 MWh higher or 2.5%. The impact of this closure is a negative difference of approximately $1.9 million on revenue and $200 K on EBITDA
- Average merchant electricity prices increased 9% in comparison to the 1st quarter of 2007 and explain close to $800 K of additional revenue and EBITDA
- Additional REC sales, mostly from Livermore Falls but also from Ashland which was qualified for the Connecticut program at the beginning of the quarter, explain close to $6 million of additional revenue and $4.3 million of additional EBITDA. The difference is explained by wheeling costs given Ashland is not directly connected to NEPOOL
- Higher raw material costs explained by a change in mix, higher freight expenses and a higher combustion rate explain a $3.8 million decrease in EBITDA. Also, the appreciation of the $CAN led to a $1.7 million negative EBITDA variation

Sector review Q1 2008
thermal energy: natural gas

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($'000)	Q1 2008	Q1 2007
Production (MWh)	**22,493**	22,174
Revenue from energy sales	**6,722**	6,095
EBITDA	**1,319**	2,105

- **The increase in electricity and steam prices explain an $800K positive difference in revenue and EBITDA**
- **Higher natural gas costs explain a negative EBITDA difference of approximately $1.6 million between both periods**
- **No CO_2 sales were recorded in 2008, in comparison to $300 K in 2007**
- **Given the current price of natural gas, the plant will be shut down for the period between April to October 2008**

Question period

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