



Financial Review

1st Quarter 2014

May 7, 2014

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 may cause actual results to differ materially from those projected, including, but not limited to, the general impact of economic conditions, raw material price increases and availability, currency fluctuations, volatility in electricity selling prices, the company's financing capacity, negative changes in general market conditions and regulations affecting the industry, as well as other factors listed in the Company's filings with different securities commissions.

This presentation contains certain financial measures not in accordance with IFRS. 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"), which are 50% owned by Boralex, have been treated as if they were proportionately consolidated and not as if they were accounted for using the equity method as required by IFRS. Since the information Boralex uses to carry out internal analyses and make strategic and operating decisions is collected on a proportionate consolidation basis, management has considered it relevant to use this accounting basis for this presentation to make it easier for investors to 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 Boralex's interim report.



Mr. Patrick Lemaire

*President and
Chief Executive Officer
Boralex Inc.*

Highlights

Q1 2014

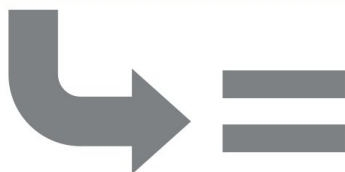
- ✦ **Boralex declares a quarterly dividend of 13¢ per share:**
 - On March 17, 2014, payment of Boralex's first quarterly dividend of its history of \$4.9 M.
 - On June 16, 2014, the dividend will be paid to shareholders of record at the close of business on May 30, 2014.
- ✦ **Boralex's power production, revenues, EBITDA and cash flows from operations are higher compared to the same period last year mainly as a result of:**
 - the contribution from the wind farms in France (Vron commissioned in September 2013 and La Vallée in December 2013);
 - the contribution from Phase I of the Seigneurie de Beaupré wind farms commissioned in December 2013;
 - more favorable weather conditions in France, lesser for the hydro sector; and
 - the depreciation of the Canadian dollar.
- ✦ **Boralex's growth path remains unchanged. Boralex is in a position to double its EBITDA by the end of 2016 to over \$200 M, without the need to access the equity markets.**

The Growth Path

652 MW in operation
\$120 million EBITDA (LTM)



CONTRACTED								PIPELINE
Country	FRANCE		CANADA					Europe or Canada
Commissioning	2014	2015	2014	2014	2014	2015	2015	
Project	Fortel-Bonnières	St-François	Jamie Creek	Seigneurie de Beauré (phase II)	Témiscouata I (municipal)	Côte-de-Beauré (municipal)	Témiscouata II	
Capacity	23 MW	23 MW	22 MW	68 MW	25 MW	25 MW	50 MW	+/- 100 MW
Segment	WIND	WIND	HYDRO	WIND	WIND	WIND	WIND	WIND EQUIVALENT
Contract termination date	2029	2030	2074	2034	2034	2035	2035	
Total project investment (million \$) ⁽¹⁾	\$60 - \$65	\$60 - \$65	\$55 - \$60	\$180 - \$190	\$65 - \$70	\$65 - \$70	\$130 - \$140	
Boralex's ownership	75%	75%	100%	50%	51%	51%	100%	100%



± 950 MW
\$200 million EBITDA
 Pro forma attributable to Boralex in 2016

(1) All investment estimates include all costs related to the development of projects including turbines, construction roads, financing fees and capitalized interest during construction. Investment estimates may vary over time for reasons including but not limited to changes in configuration of a site, foreign exchange fluctuations or a change in turbine type.

Note: This data is consolidated in accordance with IFRS, except for the Seigneurie de Beauré phases I and II (owned at 50%) which are proportionately consolidated for projection purposes.



Mr. Jean-François Thibodeau

*Vice President and
Chief Financial Officer
Boralex Inc.*

Summary

Q1 2014

	Q1 2014	Q1 2013
<i>(in thousands of dollars, except power production, EBITDA margin, and per share amounts)</i>		
Power Production (MWh)	577,277	411,459
Revenues from energy sales	75,522	50,736
EBITDA	51,757	33,315
EBITDA margin	68.5%	65.7%
Net earnings from continuing operations ⁽¹⁾	7,048	3,909
Net earnings from continuing operation, per share ⁽¹⁾	\$0.19	\$0.10
Net earnings ⁽¹⁾	7,887	4,070
Net earnings, per share (basic) ⁽¹⁾	\$0.21	\$0.11
Cash flow from operations	36,000	22,806
Cash flow from operations, per share	\$0.95	\$0.60

(1) Attributable to shareholders of Boralex

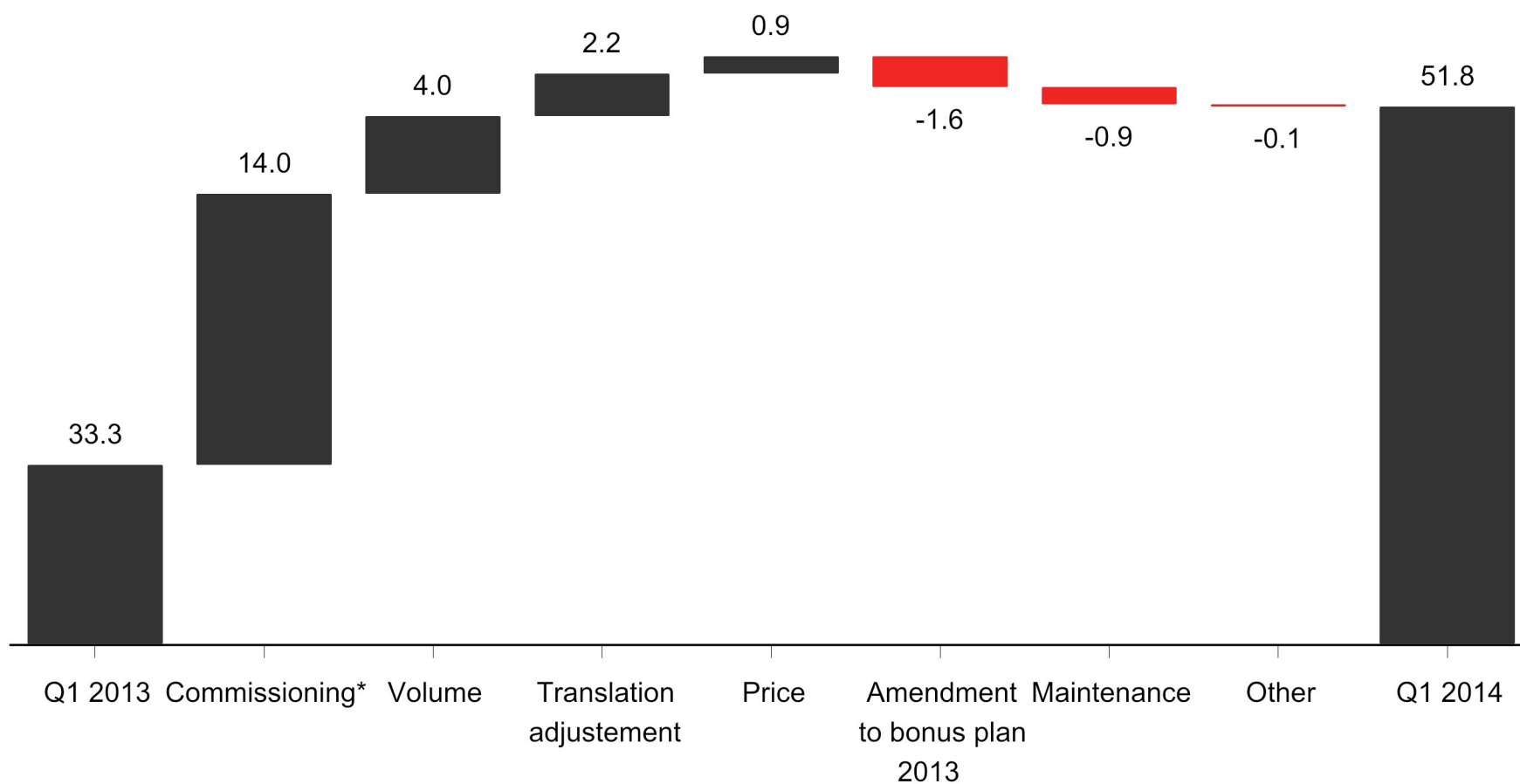
EBITDA by sector

Q1 2014

	Q1 2014	Q1 2013
<i>(in thousands of dollars)</i>		
Wind	41,161	20,035
Hydroelectricity	10,167	11,284
Thermal	4,572	4,668
Solar	491	382
	56,391	36,369
Corporate and eliminations	(4,634)	(3,054)
EBITDA	51,757	33,315

EBITDA – Variance Analysis

Q1 2014 vs 2013



(in millions of dollars)

* Commissioning of Vron, La Vallée and Phase I of Seigneurie de Beaupré

Sector Review Q1 2014

Wind Energy

	Q1	
	2014	2013
<i>(in thousands of dollars, unless otherwise specified)</i>		
Power Production (MWh)	381,389	191,028
Utilization factor	37.7%	30.6%
Revenues from energy sales	47,948	23,598
EBITDA	41,161	20,035
EBITDA margin	85.8%	84.9%

▲ Production was higher by 100% vs Q1 2013

▲ Higher by 24% excluding the contribution from Vron, La Vallée and Seigneurie de Beaupré - phase I

PRODUCTION	
Canadian Stations	European Stations
152% higher vs Q1 2013 2% higher excluding the contribution of the Seigneurie de Beaupré - phase I	64% higher vs Q1 2013 38% higher excluding the contribution of Vron and La Vallée

▲ The commissioning of the Seigneurie de Beaupré - phase I had a positive impact on revenues and EBITDA of \$12.6 M and \$11.0 M respectively

▲ The commissioning of the Vron and La Vallée wind farms had a positive impact on revenues and EBITDA of \$3.7 M and \$3.0 M respectively

▲ The strenghtening of the Euro had a positive impact of \$1.8 M and \$1.4 M on revenues and EBITDA respectively

Sector Review Q1 2014

Hydro Energy

	Q1	
	2014	2013
<i>(in thousands of dollars, unless otherwise specified)</i>		
Power Production (MWh)	123,587	148,473
Revenues from energy sales	13,996	14,113
EBITDA	10,167	11,284
EBITDA margin	72.6%	80.0%

▲ Production was lower by 17% against Q1 2013 and 21% compared to historical averages

PRODUCTION	
Canadian Stations	US Stations
9% lower vs historical averages 20% lower vs Q1 2013	25% lower vs historical averages 15% lower vs Q1 2013

▲ Average selling price of electricity in the United States

→ Higher by 15% vs Q1 2013

Sector Review Q1 2014

Thermal Energy

	Q1	
	2014	2013
<i>(in thousands of dollars, unless otherwise specified)</i>		
Steam production ('000 lbs)	137,623	139,854
Power Production (MWh)	71,116	70,879
Revenues from energy sales	12,976	12,546
EBITDA	4,572	4,668
EBITDA margin	35.2%	37.2%

- ▲ Overall operating results are comparable to Q1 2013
- ▲ Shutdown of Blendecques cogeneration facility operations in March 2014
 - ▲ Investment of 6 M€ as agreed in a new 12 year power purchase agreement
 - ▲ Reopening in November 2014
- ▲ In Canada, the Senneterre plant was also shutdown at the end of March in accordance with its current contract. It will reopen in June to operate for another 4 months.

Sector Review Q1 2014

Solar Energy

	Q1	
	2014	2013
<i>(in thousands of dollars, unless otherwise specified)</i>		
Power Production (MWh)	1,185	1,079
Revenues from energy sales	602	479
EBITDA	491	382
EBITDA margin	81.6%	79.7%

▲ EBITDA grew by 29%, due to higher production of 10% and the appreciation of the Euro

Cash Flows

Q1 2014

(in thousands of dollars)

	Q1	
	2014	2013
Cash flows from operations	36,000	22,806
Changes in non cash items	2,203	1,947
Operating activities	38,203	24,753
Investing activities	(45,655)	(10,985)
Financing operations	21,869	(792)
Discontinued operations	1,215	98
Translation adjustment	2,135	427
Variation in cash flows	17,767	13,501
Cash and cash equivalents – beginning of period	127,541	107,138
Cash and cash equivalents – end of period	145,308	120,639

Financial Position

Q1 2014

	March 31, 2014	December 31, 2013
<i>(in thousands of dollars, unless otherwise specified)</i>		
Cash	145,308	127,541
Restricted cash	78,848	60,126
Total assets	1,854,281	1,791,440
Net debt	819,923	821,040
Convertible debentures - nominal value	244,639	244,655
Average rate - total debt	5.46 %	5.46 %
Equity attributable to shareholders' of Boralex ⁽¹⁾	360,548	356,094
Book value per share	\$9.49	\$9.43
Net debt ratio ⁽²⁾	56.7 %	57.1 %

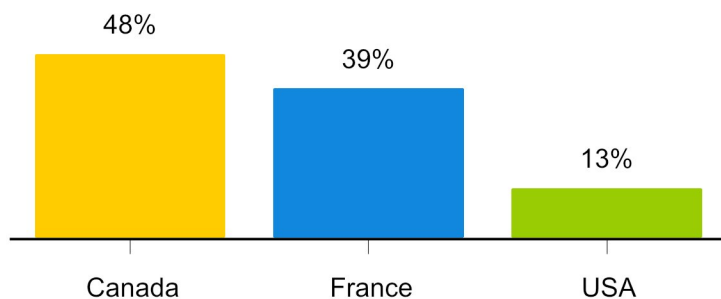
(1) Excludes Non-controlling shareholders

(2) For calculation details, refer to the section: Non-IFRS Measures in the MD&A

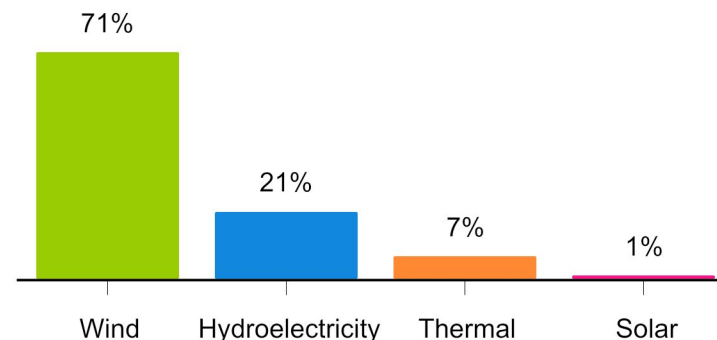
Geographical and segment review as of March 31, 2014

Installed capacity (652 MW)

Capacity by country

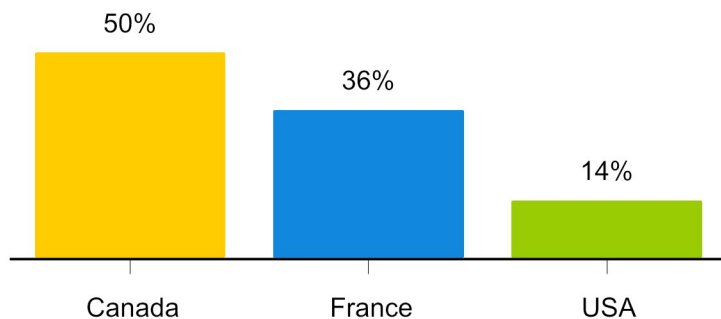


Capacity by sector

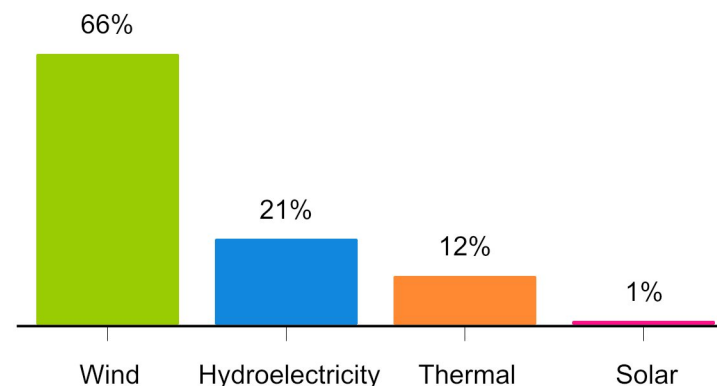


Power production (0.6 GWh)

Production by country

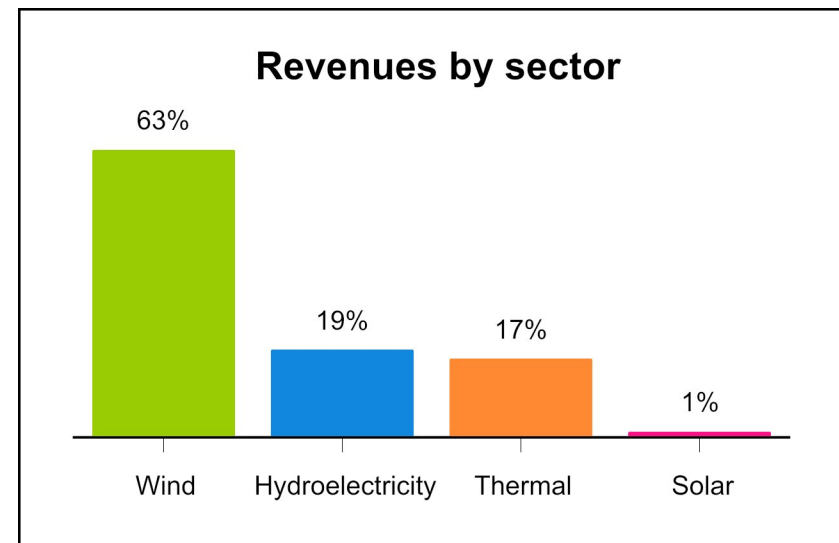
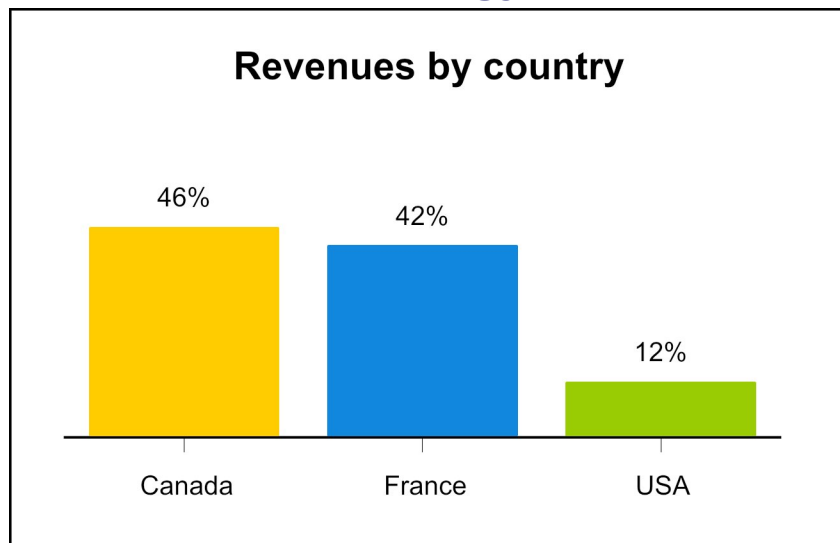


Production by sector

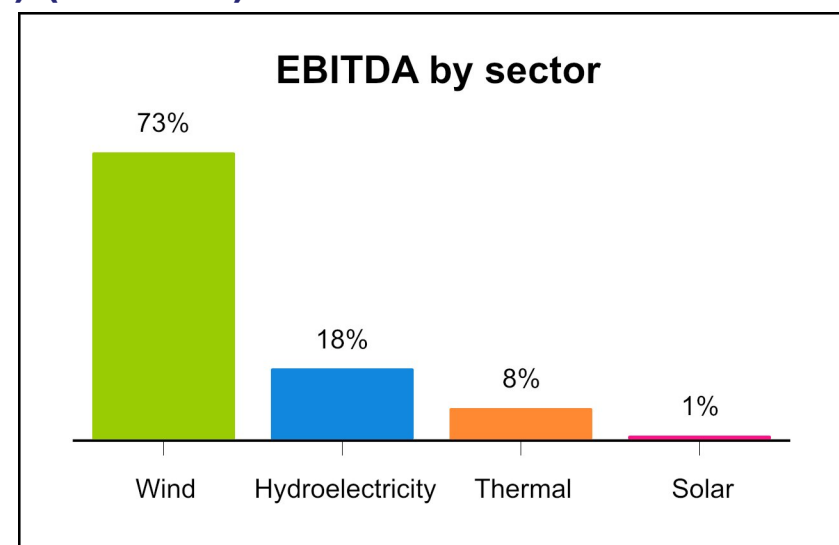
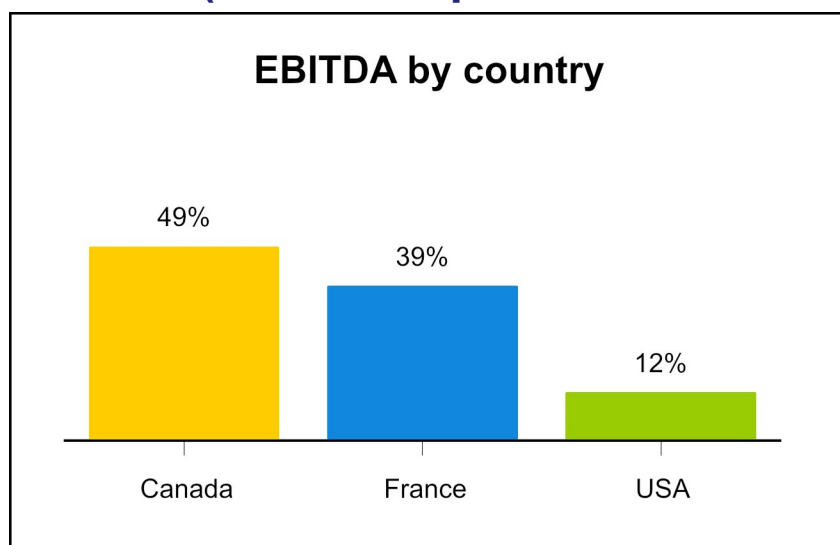


Geographical and segment review as of March 31, 2014

Revenues from energy sales (\$75.5 M)



EBITDA (before corporate and eliminations) (\$56.4 M)





Question Period