



Financial Review

1st Quarter 2018



May 9, 2018



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, currency fluctuations, volatility in the selling prices of energy, the Corporation's financing capacity, changes in general market conditions, regulations governing the industry, raw material price increases and availability as well as other factors listed in the Corporation's filings with different securities commissions.

Combined – Non-IFRS measure

The combined information ("Combined") presented in this presentation results from the combination of the financial information of Boralex Inc. ("Boralex" or the "Corporation") under IFRS and its share of the financial information of the Joint Ventures (as defined in note 4 to Boralex's interim financial statements). The Joint Ventures represent significant investments by Boralex and although IFRS does not permit the consolidation of their financial information within that of Boralex, management considers that Combined information is useful data for investors. In order to prepare the Combined financial information, Boralex first prepared its financial statements and those of the Joint Ventures in accordance with IFRS. Then, the Interests in Joint Ventures, Share in earnings of the Joint Ventures and Distributions received from the Joint Ventures line items are replaced by Boralex's share (50%) in the financial statement items of the Joint Ventures (revenues, expenses, assets, liabilities, etc.). All the information required to make this calculation can be found in Boralex's financial statements, more specifically in Note 4, Interests in the Joint Ventures, with respect to the financial information of the Joint Ventures under IFRS. We also refer you to the *Non-IFRS measures* section in the 2018 Interim Report I. for more information. It is important to note that the calculation method described here is identical to the method previously used to establish the data identified as Proportionate Consolidation in previous MD&As.

Non-IFRS measures

This presentation contains certain financial measures that are not in accordance with International Financial Reporting Standard ("IFRS"). In order to assess the performance of its assets and reporting segments, Boralex uses the terms "EBITDA", "EBITDA(A)", "EBITDA(A) margin", "cash flows from operations", "net debt ratio", "discretionary cash flows", "payout ratio" and "dividends paid per common share". For more information, please refer to Boralex's MD&A.

General

The data expressed as a percentage is calculated using amounts in thousands of dollars.



Patrick Lemaire
President and
Chief Executive Officer



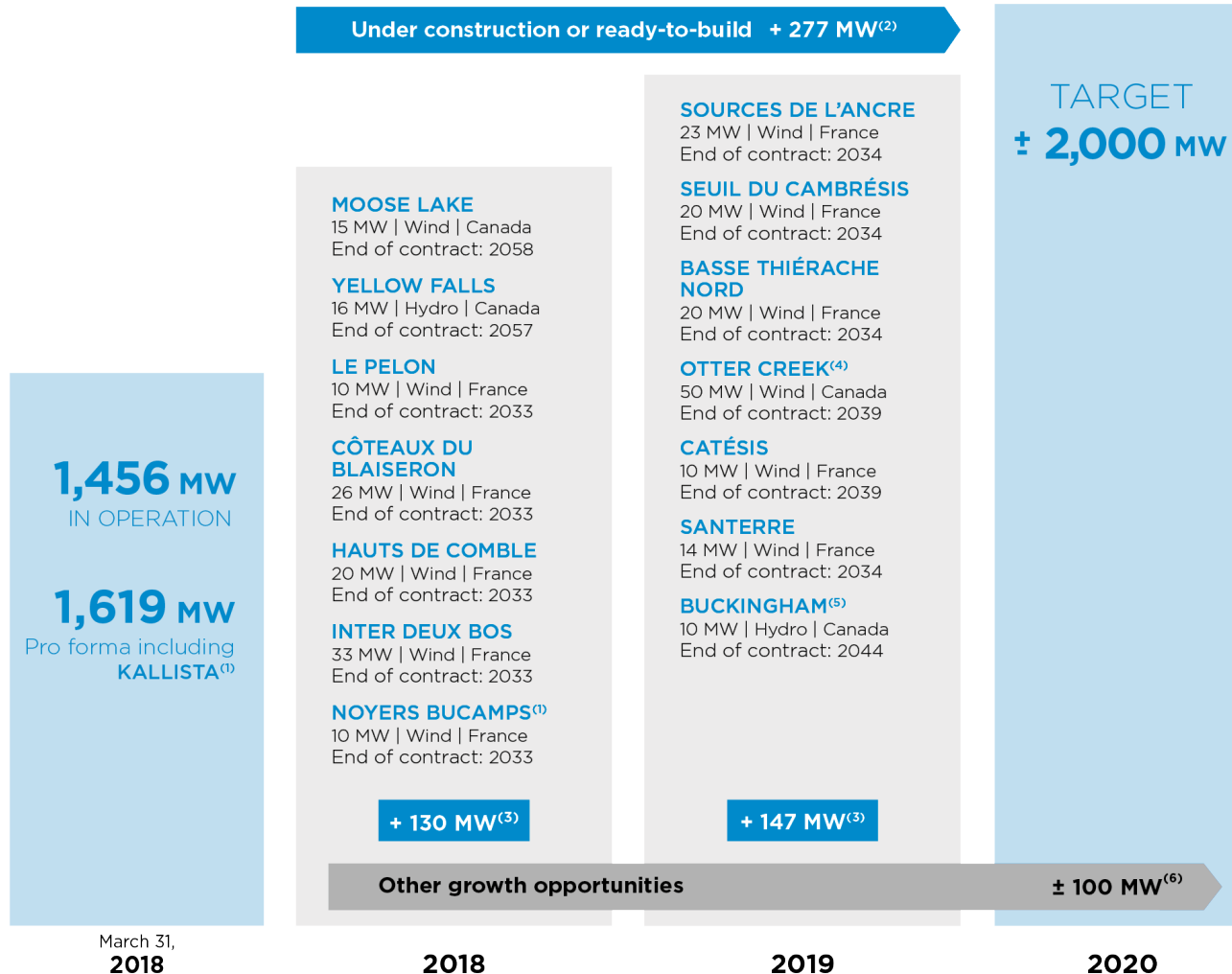


Financial highlights

Q1 2018

- Given the contribution of assets either acquired or commissioned during the 2017 fiscal year, the improved performance of French wind assets and the appreciation of the euro, Boralex announces a 24% increase in revenues to \$168 million and a 17% increase of EBITDA(A) to \$114 million.
- Boralex increases its quarterly dividend from \$0.15 to \$0.1575 representing a 5% increase. This dividend will be paid on June 15, 2018 to shareholders of record at the close of business on May 31, 2018.
- Boralex recently signed a purchase agreement to acquire the Kallista Energy Investment SAS and KE Production portfolio in France for a total consideration of €129 million (\$202 million) and the assumption of €94 million (\$147 million) in project debt.
- This transaction will add 163 MW of operating wind assets, a 10 MW site under construction and a portfolio of 158 MW of projects thus allowing Boralex to strengthen its position as France's largest independent producer of wind power which could translate into operational synergies and improve its growth prospects.
- Considering this transaction and the 34 MW of additional projects added to the *Growth path*, Boralex, on a pro forma basis, has 1,619 MW of installed capacity and 277 MW of projects set to be built, which means the Corporation is about 100 MW from the previously-set target of 2,000 MW at the end of 2020.

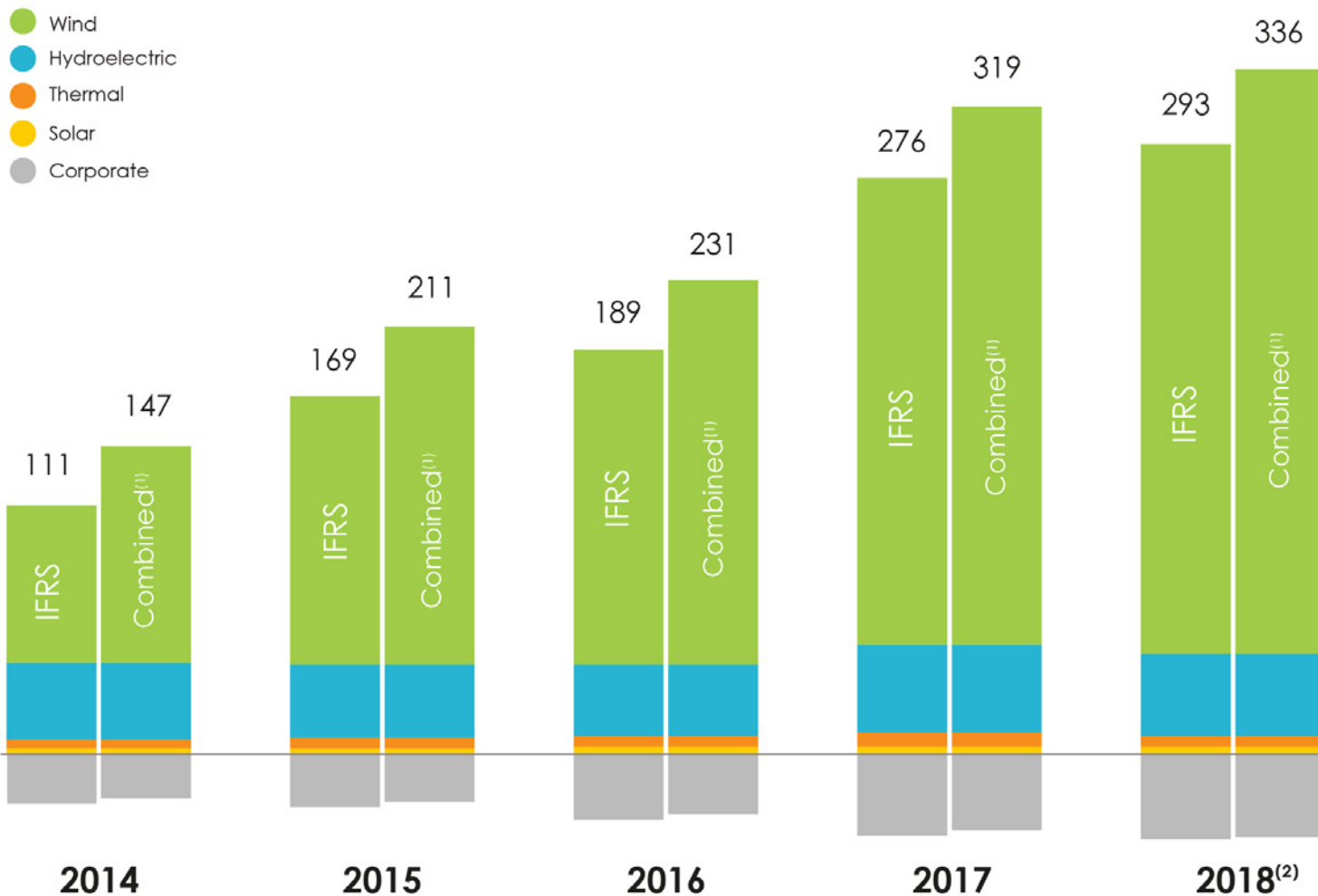
Growth path



- ⁽¹⁾ The acquisition of Kallista Energy Investment SAS and KE Production ("Kallista") was announced in the press release issued on April 20, 2018.
- ⁽²⁾ France 186 MW | Canada 91 MW
- ⁽³⁾ 2018 : Hydro 16 MW | Wind 114 MW; 2019 : Hydro 10 MW | Wind 137 MW
- ⁽⁴⁾ The final permit for this project, Renewable Energy Approval (REA), is pending from Ontario's Ministry of the Environment and Climate Change.
- ⁽⁵⁾ Project whose current capacity of 10 MW is to increase to 20 MW.
- ⁽⁶⁾ Including the 51 MW Moulins du Lohan wind power project in France. For greater detail on the Moulins du Lohan project, see *Commitments and contingencies* in section III - Other elements of the 2017 Annual Report.

Historical data

EBITDA(A) (in millions of Canadian dollars)



⁽¹⁾ See the *Non-IFRS measures* section in the 2018 Interim Report I.

⁽²⁾ Twelve-months period ended March 31, 2018.



Jean-François Thibodeau

Vice president and
Chief Financial Officer



Summary

Q1 2018 - Quarterly

	IFRS		Combined ⁽¹⁾	
	2018	2017	2018	2017
(in millions of Canadian dollars, unless otherwise specified)				
Power Production (GWh) ⁽²⁾	1,055	909	1,203	1,063
Revenues from energy sales	152	119	168	136
EBITDA(A) ⁽¹⁾	104	87	114	97
EBITDA(A) margin ⁽¹⁾ (%)	68	73	68	72
Net earnings ⁽³⁾	20	15	20	15
Per share (basic and diluted) (\$)	0.26	0.21	0.26	0.21
Cash flows from operations ⁽¹⁾	77	58	84	69

⁽¹⁾ See the *Non-IFRS measures* section in the 2018 Interim Report I.

⁽²⁾ Power production, including the power limitation of 56 GWh for the NRWF site, for which Boralex was compensated for 42 GWh, would have been 1 111 GWh under IFRS for the three-month periods ended March 31, 2018 (921 GWh for the same period in 2017) and would have been 1 259 GWh under the Combined presentation (1 075 GWh for the same period in 2017).

⁽³⁾ Attributable to shareholders of Boralex.

EBITDA(A)⁽¹⁾ by segment

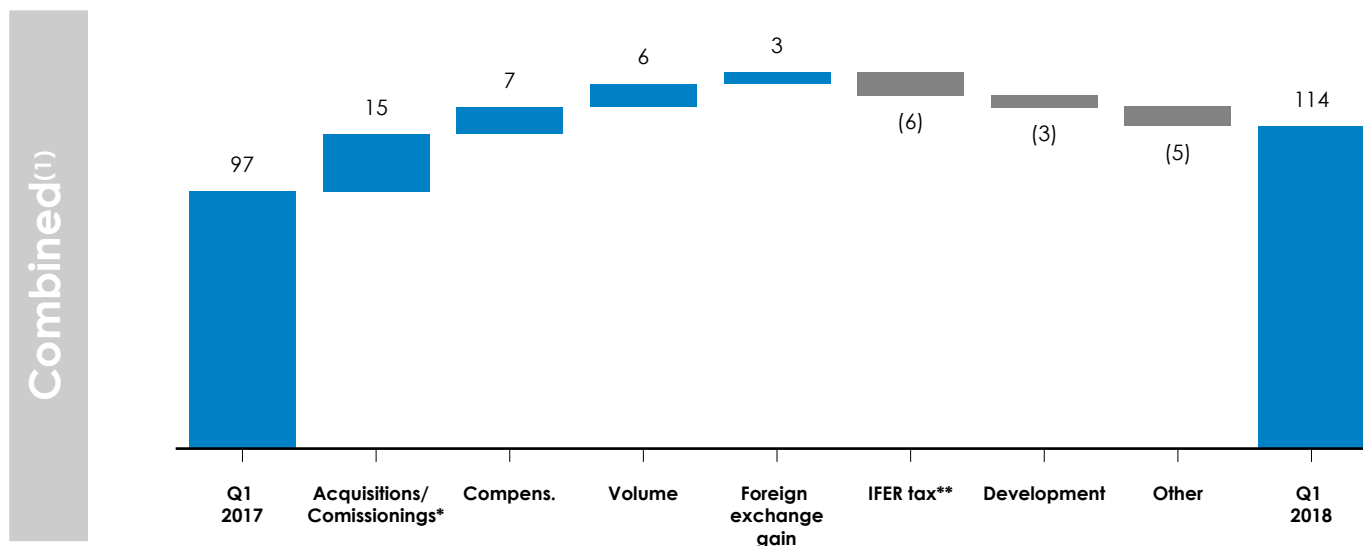
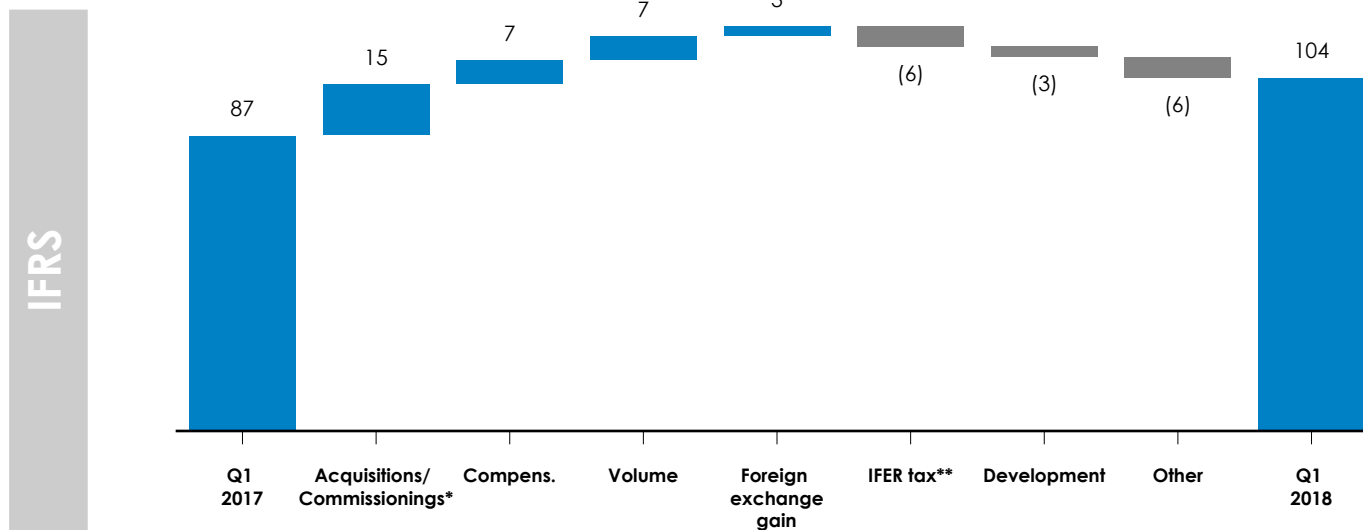
Q1 2018 - Quarterly

	IFRS		Combined ⁽¹⁾	
	2018	2017	2018	2017
(in millions of Canadian dollars)				
Wind	101	77	112	86
Hydroelectric	10	13	10	13
Thermal	4	6	4	6
Solar	1	1	1	1
	116	97	127	106
Corporate and eliminations	(12)	(10)	(13)	(9)
EBITDA(A) ⁽¹⁾	104	87	114	97

⁽¹⁾ See the *Non-IFRS measures* section in the 2018 Interim Report I.

EBITDA(A)⁽¹⁾ - Variance analysis⁽²⁾

Q1 2018 vs 2017 - Quarterly



⁽¹⁾ See the *Non-IFRS measures* section in the 2018 Interim Report I.

⁽²⁾ The amounts in these graphs are expressed in millions of Canadian dollars.

* Commissioning and acquisition of 91 MW: Plateau de Savernat II, Voie des Monts, Mont de Bagny, Artois, Chemin de Grès wind farms and 17 days in January 2017 for NRWF.

** IFER : Flat-rate tax on network businesses (France)

Segment Review Q1 2018

Wind Energy - Quarterly

	IFRS		Combined ⁽¹⁾	
	2018	2017	2018	2017
(in millions of Canadian dollars, unless otherwise specified)				
Power production (GWh) ⁽²⁾	824	655	972	809
Capacity factor (%) ⁽²⁾	38	33	38	34
Revenues from energy sales	125	88	141	105
EBITDA(A) ⁽¹⁾	101	77	112	86
EBITDA(A) margin ⁽¹⁾ (%)	82	88	80	83

⁽¹⁾ See the *Non-IFRS measures* section in the 2018 Interim Report I.

⁽²⁾ Power production, including the power limitation of 56 GWh for the NRWF site, for which Boralex was compensated for 42 GWh, would have been 880 GWh under IFRS for the three-month periods ended March 31, 2018 (667 GWh for the same period in 2017) and would have been 1 028 GWh under the Combined presentation (821 GWh for the same period in 2017). Capacity factor calculations take into account this adjustment.

Under a Combined basis:

- Production increased by 20% vs Q1 2017 ; 40% in France and 7% in Canada.
 - 7% higher than Q1 2017 excluding the newly-commissioned sites.

Canadian stations
Capacity factor of 42% vs 40% expected vs 39% in Q1 2017 Production: 1% lower excluding the contribution of newly-commissioned assets (NRWF for 17 days)

French stations
Capacity factor of 34% vs 31% expected vs 29% in Q1 2017 Production: 18% higher excluding the contribution of newly-commissioned assets (Plateau de Savernat II, Voie des Monts, Mont de Bagny, Artois and Chemin de Grès)

- Newly-commissioned assets had a favorable impact on revenues of \$17 million and of \$15 million on EBITDA (A), respectively.

Segment Review Q1 2018

Hydroelectric Energy - Quarterly

	IFRS and Combined ⁽¹⁾	
	2018	2017
(in millions of Canadian dollars, unless otherwise specified)		
Power production (GWh)	166	173
Revenues from energy sales	14	17
EBITDA(A) ⁽¹⁾	10	13
EBITDA(A) margin ⁽¹⁾ (%)	71	77

⁽¹⁾ See the Non-IFRS measures section in the 2018 Interim Report I. There is no difference between IFRS and Combined for this segment.

- Production lower by 4% compared to Q1 2017 and higher by 7% versus historical averages.

Canadian power stations	US power stations
6% lower vs Q1 2017 4% higher vs historical averages	3% lower vs Q1 2017 8% higher vs historical averages

- As a reminder, starting in December 2017, the contracted price of the Hudson Falls facility (46 MW) was down from US\$80.58/MWh to US\$48.27/MWh (until November 2025).

Segment Review Q1 2018

Corporate - Quarterly

	IFRS		Combined ⁽¹⁾	
	2018	2017	2018	2017
(in millions of Canadian dollars)				
Development	5	3	5	3
Administrative	7	5	7	5
Other expenses	—	2	1	1
Corporate EBITDA(A) ⁽¹⁾	12	10	13	9

⁽¹⁾ See the *Non-IFRS measures* section in the 2018 Interim Report I.

Cash Flows

Q1 2018 - Quarterly

	IFRS	
	2018	2017
(in millions of Canadian dollars)		
Cash flows from operations ⁽¹⁾	77	58
Changes in non-cash items	33	(4)
Operating activities	110	54
Investing activities	(85)	(121)
Financing activities	(3)	60
Other	5	—
Net change in cash	27	(7)
Cash and cash equivalents – beginning of period	115	100
Cash and cash equivalents – end of period	142	93

⁽¹⁾ See the *Non-IFRS measures* section in the 2018 Interim Report I.

Financial Position

Q1 2018

	IFRS	
	March 31, 2018	December 31, 2017
(in millions of Canadian dollars, unless otherwise specified)		
Cash and cash equivalent	142	115
Restricted cash	45	35
Total assets	4,034	3,926
Debt ⁽¹⁾	2,716	2,642
Convertible debentures - nominal value	144	144
Average rate - total debt (%)	3.9	3.8
Equity attributable to shareholders of Boralex ⁽²⁾	717	685
Book value per share (in \$)	9.41	8.97
Net debt ratio (market capitalization) (%) ⁽³⁾	57	56

⁽¹⁾ Including Non-current debt and the Current portion of debt.

⁽²⁾ Excluding Non-controlling shareholders.

⁽³⁾ See the Non-IFRS measures section in the 2018 Interim Report I.



APPENDICES

Segment review - **Thermal Energy**

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Segment review - **Solar Energy**

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Segment Review Q1 2018

Thermal Energy - Quarterly

	IFRS and Combined ⁽¹⁾	
	2018	2017
(in millions of Canadian dollars, unless otherwise specified)		
Steam production ('000 lbs)	176	171
Power production (GWh)	61	77
Revenues from energy sales	12	13
EBITDA(A) ⁽¹⁾	4	6
EBITDA(A) margin ⁽¹⁾ (%)	37	45

⁽¹⁾ See the *Non-IFRS measures* section in the 2018 Interim Report I. There is no difference between IFRS and Combined for this segment.



Segment Review Q1 2018

Solar Energy - Quarterly

	IFRS and Combined ⁽¹⁾	
	2018	2017
(in millions of Canadian dollars, unless otherwise specified)		
Power production (GWh)	4	4
Capacity factor (%)	11	13
Revenues from energy sales	1	1
EBITDA(A) ⁽¹⁾	1	1
EBITDA(A) margin ⁽¹⁾ (%)	62	81

⁽¹⁾ See the *Non-IFRS measures* section in the 2018 Interim Report I. There is no difference between IFRS and Combined for this segment.



Question period

BORALEX



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