



Financial Review

3rd Quarter 2014

November 5, 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

Q3 2014

- ✦ Boralex's power production, revenues, EBITDA, EBITDA margin and cash flows from operations are higher compared to the same period last year mainly as a result of:
 - the contribution of the newly commissioned facilities:
 - France
 - Vron (8 MW): wind, September 2013
 - La Vallée (32 MW): wind, December 2013
 - Canada
 - Seigneurie de Beaupré - phase I (136 MW): wind, Québec, December 2013
 - Jamie Creek (22 MW): hydro, British Columbia, May 2014
- ✦ On July 30, 2014, Boralex announced the acquisition of a 14 MW wind power project in France (Calmont), which will be commissioned in Q4 2015
- ✦ On November 5, 2014, Boralex will bid on new wind projects for a significant portion of the 450 MW tender launched in December 2013 by the Government of Quebec and developed with community partners

Highlights

Q3 2014

⚡ Sites to be commissioned in the next couple of months:

France, wind:

- Fortel-Bonnières (23 MW): Q4 2014
- St-François (23 MW): Q1 2015

Canada, wind:

- Seigneurie de Beaupré - phase II (68 MW, 34 MW for Boralex): Q4 2014
- Témiscouata I (25 MW): Q4 2014

Total : 105 MW

⚡ Boralex declares a quarterly dividend of 13¢ per share:

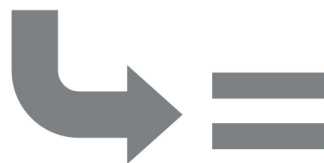
- The dividend will be paid on December 15, 2014 to shareholders of record at the close of business on November 28, 2014

The Growth Path

674 MW in operation
\$139 million EBITDA (LTM)



	CONTRACTED							PIPELINE
Country	FRANCE			CANADA				Europe or Canada
Commissioning	2014	2015	2015	2014	2014	2015	2015	
Project	Fortel-Bonnières	St-François	Calmont	Seigneurie de Beauré (phase II)	Témiscouata I (municipal)	Côte-de-Beauré (municipal)	Témiscouata II	
Capacity	23 MW	23 MW	14 MW	68 MW	25 MW	25 MW	50 MW	+/- 80 MW
Segment	WIND	WIND	WIND	WIND	WIND	WIND	WIND	WIND EQUIVALENT
Contract termination date	2029	2030	2030	2034	2034	2035	2035	
Total project investment (million \$) ⁽¹⁾	60 - 65	60 - 65	35 - 40	180 - 190	65 - 70	65 - 70	145 - 150	
Boralex's ownership	75%	75%	75%	50%	51%	51%	100%	100%



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

(1) Investment estimates include all costs related to project development including turbine costs and installation expenses, road construction costs, financing costs and interest capitalized during construction. Investment estimates may vary over time for reasons including but not limited to changes in site configuration, 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

Q3 2014

	Q3 2014	Q3 2013
<i>(in thousands of dollars, except power production, EBITDA margin, and per share amounts)</i>		
Power Production (GWh)	391.6	264.7
Revenues from energy sales	42,883	28,651
EBITDA	23,281	13,180
EBITDA margin	54.3%	46.0%
Net loss ⁽¹⁾	(9,239)	(7,572)
Net loss, per share (basic) ⁽¹⁾	(\$0.24)	(\$0.20)
Cash flow from operations adjusted ⁽²⁾	7,577	2,925
Cash flow from operations adjusted, per share ⁽²⁾	\$0.20	\$0.08

(1) Attributable to shareholders of Boralex

(2) In 2013, as the scheduled payment date of the \$8,258 K interest on the convertible debentures was on June 30, a Sunday, the payment was made on the following business day on July 2, 2013. The cash flow from operations adjusted exclude the payment.

Summary

YTD (Q3) 2014

	YTD 2014	YTD 2013
<i>(in thousands of dollars, except power production, EBITDA margin, and per share amounts)</i>		
Power Production (GWh)	1,468.8	1,050.0
Revenues from energy sales	172,198	119,528
EBITDA	107,215	70,460
EBITDA margin	62.3%	58.9%
Net loss ⁽¹⁾	(5,635)	(4,663)
Net loss, per share (basic) ⁽¹⁾	(\$0.15)	(\$0.12)
Cash flow from operations	56,345	35,097
Cash flow from operations, per share	\$1.47	\$0.93

(1) Attributable to shareholders of Boralex

EBITDA by sector

Q3 2014

	Q3 2014	Q3 2013
<i>(in thousands of dollars)</i>		
Wind	17,466	7,347
Hydroelectricity	8,816	7,595
Thermal	588	(614)
Solar	850	853
	27,720	15,181
Corporate and eliminations	(4,439)	(2,001)
EBITDA	23,281	13,180

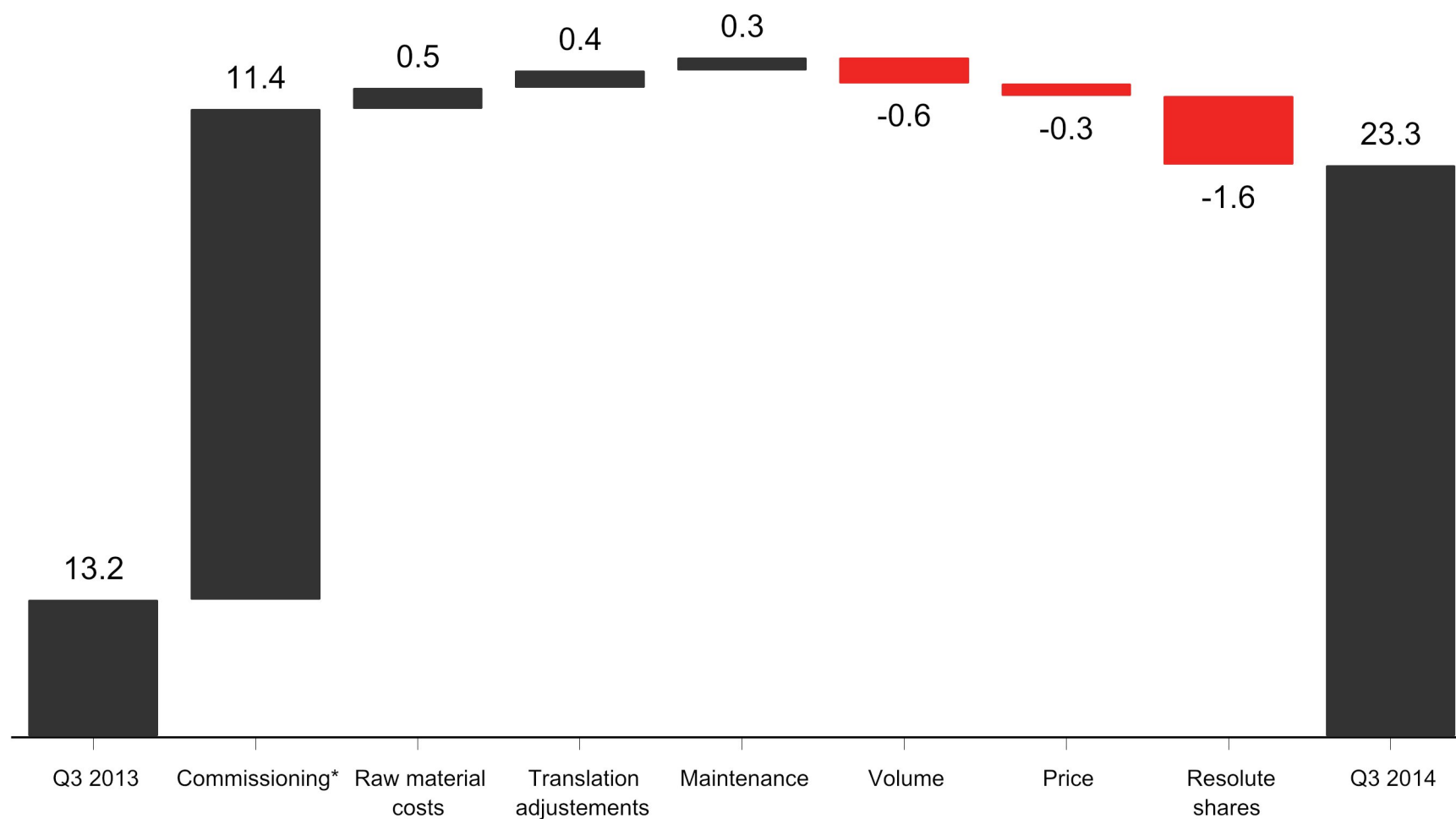
EBITDA by sector

YTD (Q3) 2014

<i>(in thousands of dollars)</i>	YTD 2014	YTD 2013
Wind	83,250	43,821
Hydroelectricity	32,985	31,411
Thermal	4,059	2,984
Solar	2,243	1,941
Corporate and eliminations	122,537	80,157
EBITDA	(15,322)	(9,697)
	107,215	70,460

EBITDA – Variance Analysis

Q3 2014 vs 2013

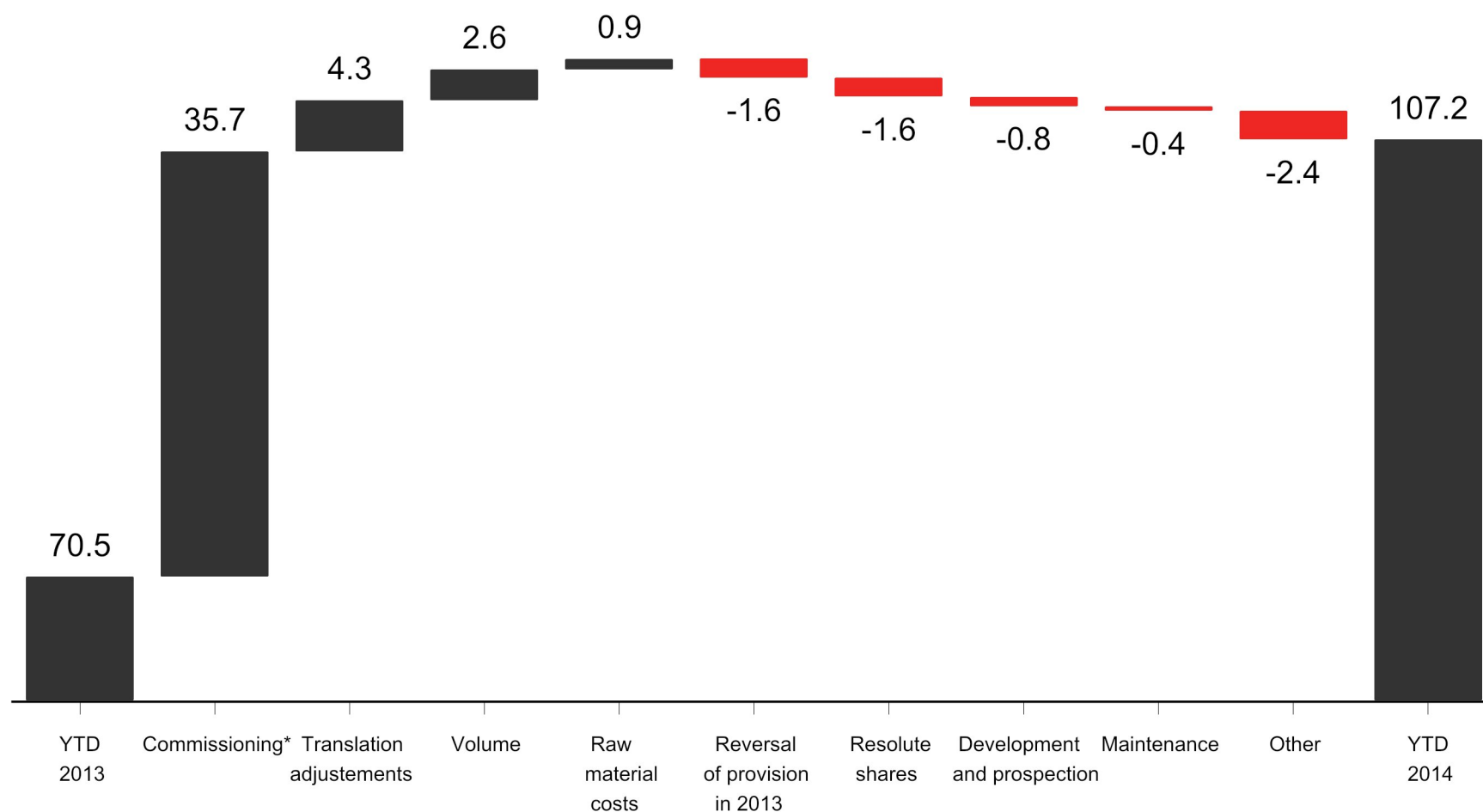


(in millions of dollars)

* Commissioning of Vron, La Vallée, phase I of Seigneurie de Beaupré and Jamie Creek

EBITDA – Variance Analysis

YTD (Q3) 2014 vs 2013



(in millions of dollars)

* Commissioning of Vron, La Vallée, phase I of Seigneurie de Beaupré and Jamie Creek

Sector Review Q3 2014

Wind Energy

	Q3		YTD	
	2014	2013	2014	2013
<i>(in thousands of dollars, unless otherwise specified)</i>				
Power Production (GWh)	203.8	96.9	840.9	454.9
Utilization factor	20.2%	15.4%	27.7%	24.2%
Revenues from energy sales	24,042	11,822	103,255	55,804
EBITDA	17,466	7,347	83,250	43,821
EBITDA margin	72.6%	62.1%	80.6%	78.5%

▲ Production was higher by 110% vs Q3 2013

▲ Higher by 3% excluding the contribution from Vron, La Vallée and Seigneurie de Beauré - phase I

PRODUCTION	
Canadian Stations	European Stations
362% higher vs Q3 2013 13% higher excluding the contribution of the Seigneurie de Beauré - phase I	16% higher vs Q3 2013 Stable excluding the contribution of Vron and La Vallée

▲ The commissioning of the Seigneurie de Beauré - phase I had a positive impact on EBITDA of \$8.6 M

▲ The commissioning of the Vron and La Vallée wind farms had a positive impact on EBITDA of \$0.8 M

▲ The strengthening of the Euro had a positive impact of \$0.2 M on EBITDA

Sector Review Q3 2014

Hydro Energy

	Q3		YTD	
	2014	2013	2014	2013
<i>(in thousands of dollars, unless otherwise specified)</i>				
Power Production (GWh)	139.9	131.8	487.2	478.2
Revenues from energy sales	12,236	11,206	43,854	41,010
EBITDA	8,816	7,595	32,985	31,411
EBITDA margin	72.0%	67.8%	75.2%	76.6%

▲ Production was higher by 6% against Q3 2013 and lower by 6% compared to historical averages

PRODUCTION	
Canadian Stations	US Stations
36% higher vs Q3 2013 12% lower vs Q3 2013 (excluding Jamie Creek) 17% lower vs historical averages	14% lower vs Q3 2013 8% higher vs historical averages

▲ The commissioning of Jamie Creek in May had a positive impact on EBITDA of \$2.0 M

▲ The strengthening of the US dollar had a positive impact of \$0.2 M on EBITDA

Sector Review Q3 2014

Thermal Energy

	Q3		YTD	
	2014	2013	2014	2013
<i>(in thousands of dollars, unless otherwise specified)</i>				
Steam production ('000 lbs)	132,131	128,668	404,014	398,285
Power Production (GWh)	45.9	33.9	135.5	111.9
Revenues from energy sales	5,660	4,657	22,521	20,471
EBITDA	588	(614)	4,059	2,984

- ▲ The Senneterre facility operated one additional month (September) in Q3 2014 than in Q3 2013 generating a positive impact on revenues of \$0.8 M and on EBITDA of \$0.5 M
- ▲ The cost of raw materials at the Senneterre facility decreased thereby generating a positive impact of \$0.4 M on EBITDA. This improvement is due to Senneterre now operating eight months a year hence having a more stable supply
- ▲ The renovation of Blendecques facility being completed, production resumed in November

Sector Review Q3 2014

Solar Energy

	Q3		YTD	
	2014	2013	2014	2013
<i>(in thousands of dollars, unless otherwise specified)</i>				
Power Production (GWh)	2.0	2.1	5.2	5.0
Utilization factor	17.8%	19.2%	15.8%	15.1%
Revenues from energy sales	945	966	2,568	2,243
EBITDA	850	853	2,243	1,941
EBITDA margin	89.9%	88.3%	87.3%	86.5%

▲ Results are in line with expectations

Sector Review Q3 2014

Corporate

	Q3		YTD	
	2014	2013	2014	2013
<i>(in thousands of dollars, unless otherwise specified)</i>				
Non-recurring income ⁽¹⁾	—	1,556	—	1,556
Reversal of provision in 2013 ⁽²⁾	—	—	—	1,263
Development	(1,107)	(939)	(3,854)	(2,941)
Administrative	(2,727)	(2,466)	(9,292)	(8,545)
Other	(605)	(152)	(2,176)	(1,030)
Corporate EBITDA	(4,439)	(2,001)	(15,322)	(9,697)

(1) A non-recurring income of \$1.6 M in Q3 2013 earned on the receipt of Resolute shares for the settlement of a claim filed by Boralex

(2) A reversal of a provision of \$1.6 M in Q1 2013, with \$1.3 M in the corporate sector, to reflect a change in the remuneration plan to all Boralex employees

Cash Flows

Q3 2014

	Q3		YTD	
	2014	2013	2014	2013
<i>(in thousands of dollars)</i>				
Cash flows from operations (adjusted) ⁽¹⁾	7,577	2,925	56,345	35,097
Changes in non cash items	36,385	784	36,466	7,650
Operating activities (adjusted) ⁽¹⁾	43,962	3,709	92,811	42,747
Investing activities	(100,263)	(162,030)	(168,267)	(267,925)
Financing operations	18,997	178,603	49,005	250,861
Discontinued operations	352	904	2,279	1,970
Translation adjustment	686	(646)	255	2,096
Variation in cash flows (adjusted)	(36,266)	20,540	(23,917)	29,749
Cash and cash equivalents – beginning of period (adjusted)	139,890	124,605	127,541	107,138
Interest on convertible debentures ⁽¹⁾	—	8,258	—	—
Cash and cash equivalents – end of period	103,624	136,887	103,624	136,887

(1) In 2013, as the scheduled payment date of the \$8,258 K interest on the convertible debentures was on June 30, a Sunday, the payment was made on the following business day on July 2, 2013.

Financial Position

Q3 2014

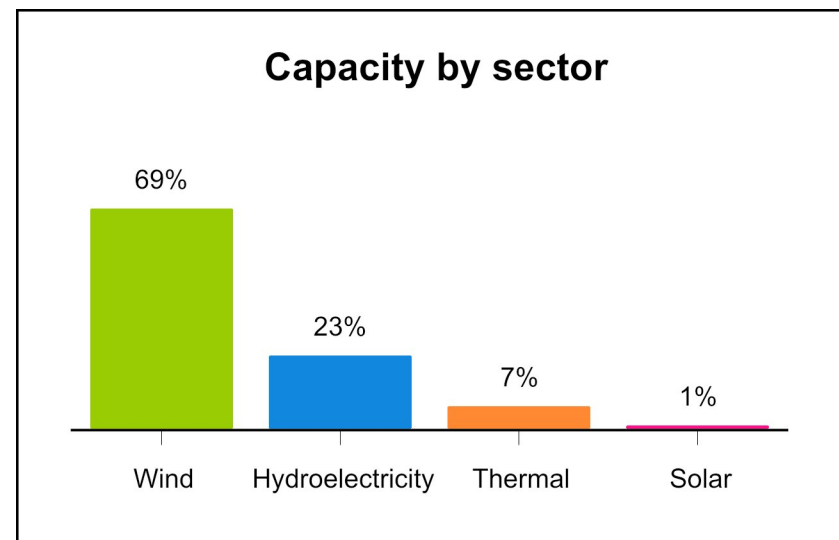
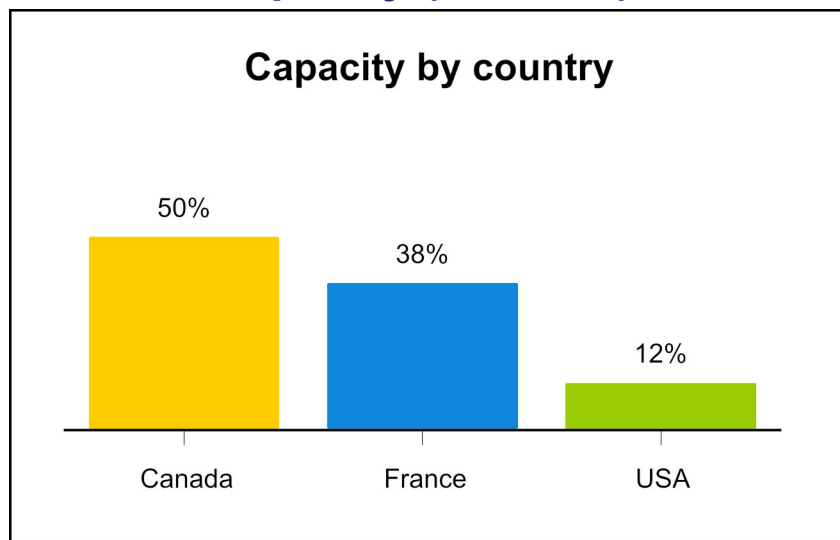
	September 30, 2014	December 31, 2013
<i>(in thousands of dollars, unless otherwise specified)</i>		
Cash	103,624	127,541
Restricted cash	34,434	60,126
Total assets	1,846,480	1,791,440
Net debt (excluding convertibles debentures)	923,414	821,040
Convertible debentures - nominal value	244,447	244,655
Average rate - total debt	5.35%	5.46%
Equity attributable to shareholders' of Boralex ⁽¹⁾	321,125	356,094
Book value per share	\$8.40	\$9.43
Net debt ratio ⁽²⁾	61.2%	57.1%

(1) Excludes Non-controlling shareholders

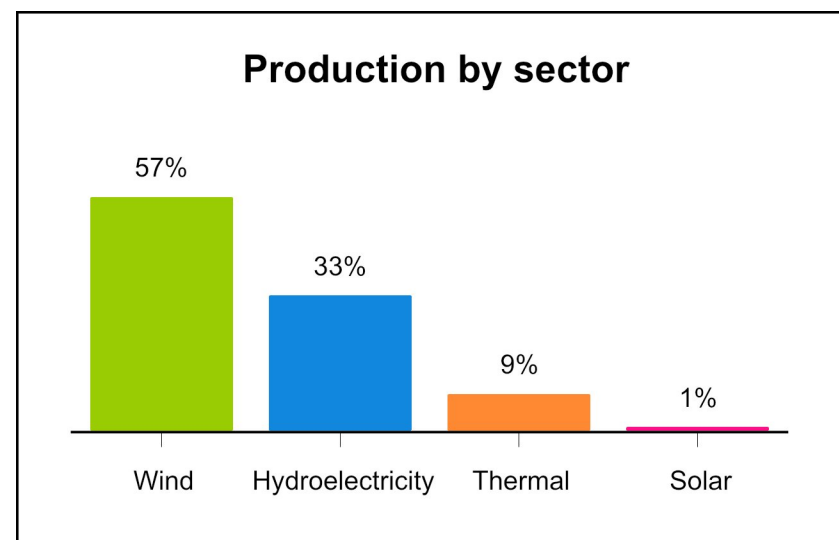
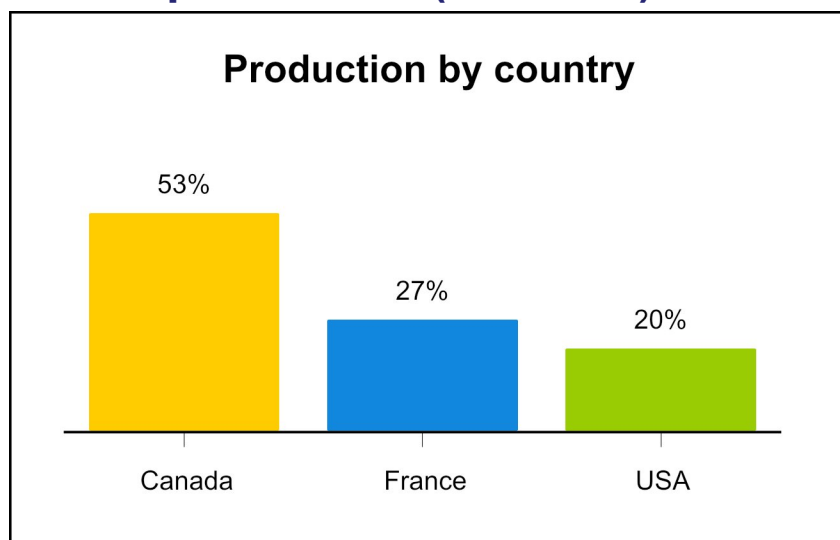
(2) For calculation details, refer to the section: Non-IFRS Measures in the MD&A. Ratios can be adjusted to exclude the non-current debt drawn from projects in development.

Geographical and segment review as of September 30, 2014

Installed capacity (674 MW)

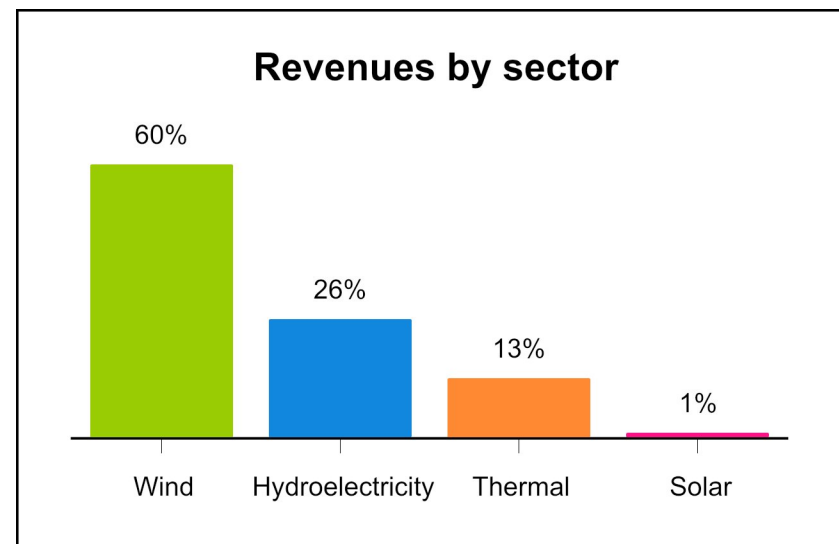
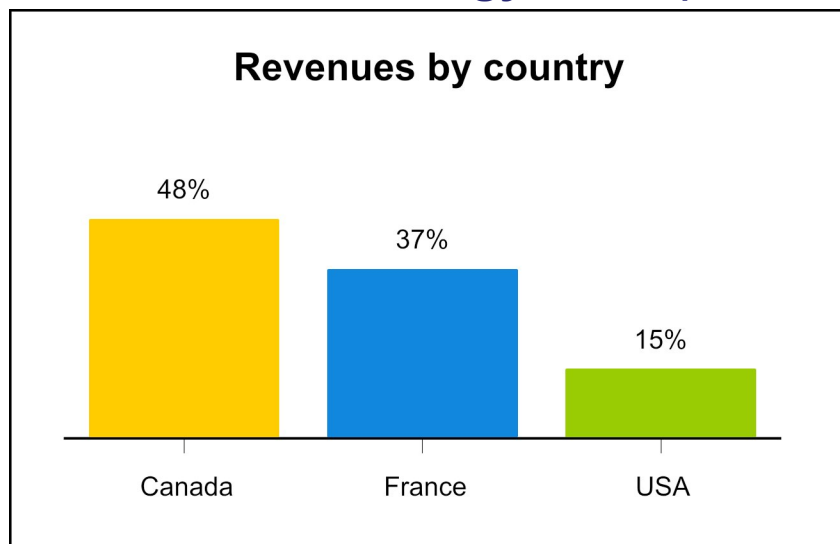


Power production (1.5 GWh)

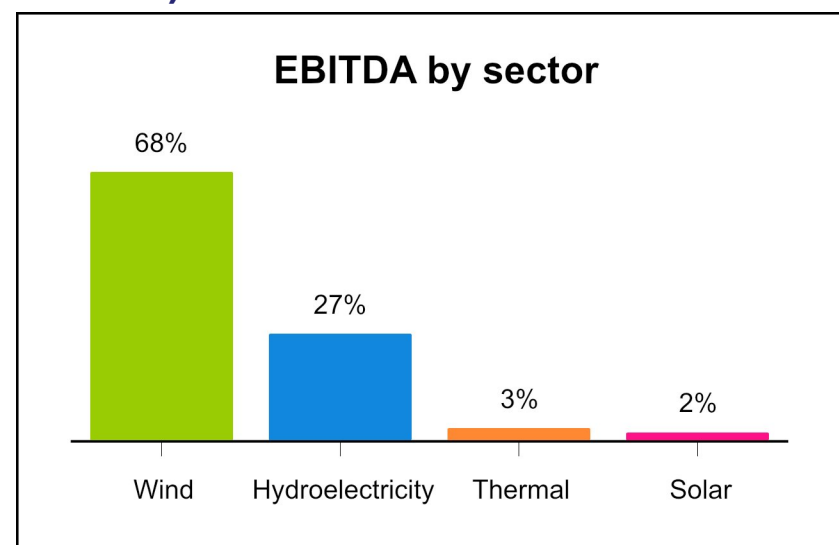
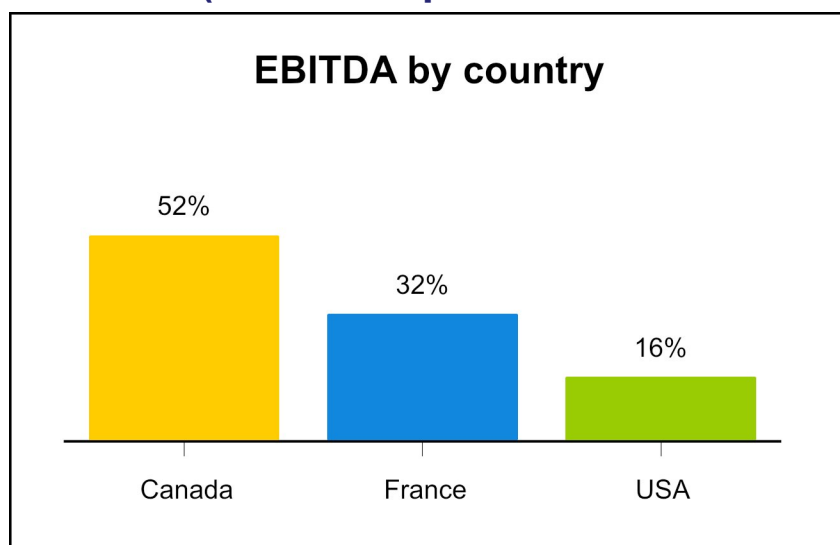


Geographical and segment review as of September 30, 2014

Revenues from energy sales (\$172.2 M)



EBITDA (before corporate and eliminations) (\$122.5 M)



Question Period

