INTERIM REPORT
AS AT MARCH 31, 2015
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BORALEX
energy creator

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Profile

Boralex is a power producer whose core business is dedicated to the development and the operation of renewable energy power stations. With about 250 employees, Boralex is known for its diversified expertise and in-depth experience in four power generation types — wind, hydroelectric, thermal and solar. Currently, the Corporation operates in Canada, France and the United States an asset base with a capacity of more than 1,140 MW, of which 970 MW are under its control. Boralex is also developing, both independently and with partners, a number of energy projects of which over 140 MW of power will be commissioned by the end of 2017. Boralex's shares and convertible debentures are listed on the Toronto Stock Exchange under the ticker symbols BLX and BLX.DB, respectively.

Management's Discussion and Analysis I

As at March 31, 2015

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Introductory Comments

General

This Management's Discussion and Analysis ("MD&A") reviews the operating results for the three-month period ended March 31, 2015, compared with the corresponding period of 2014, the cash flows for the three-month period ended March 31, 2015 compared with the corresponding period of 2014, as well as the Corporation's financial position as at March 31, 2015 compared with December 31, 2014. This report should be read in conjunction with the unaudited interim condensed consolidated financial statements and related notes found in this Interim Report, as well as with the audited consolidated financial statements and related notes found in this Annual Report for the fiscal year ended December 31, 2014.

Additional information about the Corporation, including the annual information form, previous annual reports, MD&As and audited consolidated financial statements, as well as press releases, is published separately and is available on the Boralex (www.boralex.com) and SEDAR (www.sedar.com) websites.

In this MD&A, Boralex or the Corporation means, as applicable, either Boralex and its subsidiaries and divisions or Boralex or one of its subsidiaries or divisions. The information contained in this MD&A reflects all material events up to May 5, 2015, the date on which the Board of Directors approved the interim MD&A and the unaudited interim condensed consolidated financial statements. Unless otherwise indicated, the financial information presented in this MD&A, including tabular amounts, is prepared in accordance with International Financial Reporting Standards ("IFRS") which constitute Canadian generally accepted accounting principles ("GAAP") under Part I of the *CPA Canada Handbook*. The unaudited interim condensed consolidated financial statements included in this interim MD&A have been prepared according to IFRS applicable to the preparation of interim financial statements, IAS 34, *Interim Financial Reporting*, and contain comparative figures for 2014.

This MD&A includes a section, *Proportionate Consolidation*, where the results of Seigneurie de Beaupré 2 and 3 Wind Farms ("Joint Venture Phase I") and Seigneurie de Beaupré Wind Farm 4 ("Joint Venture Phase II") (collectively, "the Joint Ventures" or "Joint Ventures Phases I and II") owned at 50% 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 integrate this *Proportionate Consolidation* section into the MD&A 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.

As discussed under *Non-IFRS Measures*, this MD&A also contains information that is non-IFRS measures. All financial information presented in this MD&A, as well as tabular information, is in Canadian dollars.

Notice Concerning Forward-Looking Statements

The purpose of this MD&A is to help the reader understand the nature and importance of changes and trends as well as the risks and uncertainties that may affect Boralex's operating results and financial position. Accordingly, some of the statements contained in this analysis, including those regarding future results and performance, are forward-looking statements based on current expectations, within the meaning of securities legislation. These statements are characterized by the use of positive or negative verbs, such as plan, anticipate, evaluate, estimate, believe and other related expressions. They are based on Boralex management's expectations, estimates and assumptions as at May 5, 2015. Boralex would like to point out that, by their very nature, forward-looking statements involve risks and uncertainties such that its results or the measures it adopts could differ materially from those indicated by or underlying these statements, or could have an impact on the degree of realization of a particular projection. The main factors that could lead to a material difference between the Corporation's actual results and the projections or expectations set forth in the forward-looking statements include, but are not limited to, the general impact of economic conditions, raw material price increases and availability, currency fluctuations, volatility in the selling price of energy, the Corporation's financing capacity, negative changes in general market conditions and regulations affecting the industry, as well as other factors described later in *Outlook and Development Objectives* and *Risk Factors and Uncertainties* in the Corporation's Annual Report for the year ended December 31, 2014.

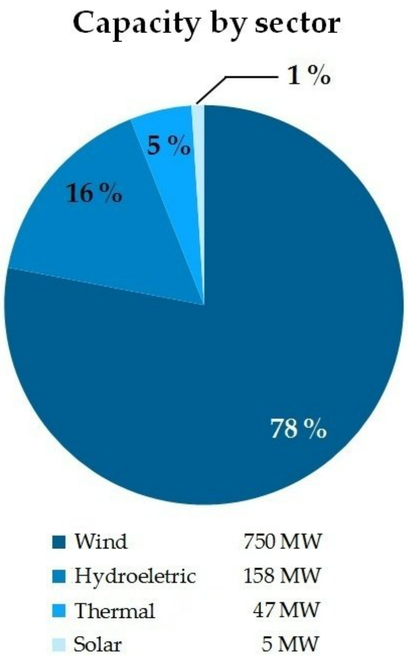
Unless otherwise specified by the Corporation, the forward-looking statements do not take into account the possible impact on its activities, transactions, non-recurring items or other exceptional items announced or occurring after the statements are made. There can be no assurance as to the materialization of the results, performance or achievements as expressed or implied by forward-looking statements. The reader is cautioned not to place undue reliance on such forward-looking statements. Unless required to do so under applicable securities legislation, Boralex management does not assume any obligation to update or revise forward-looking statements to reflect new information, future events or other changes.

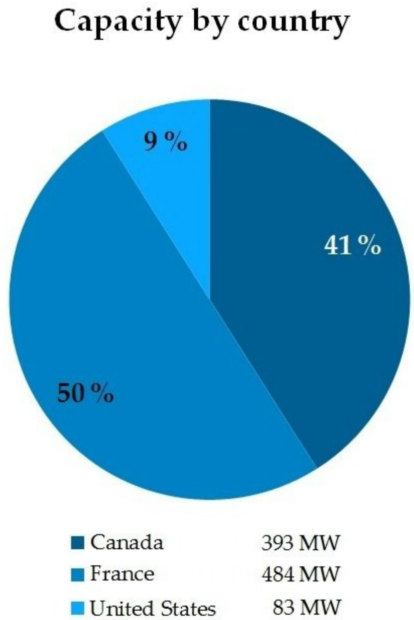
Description of Business

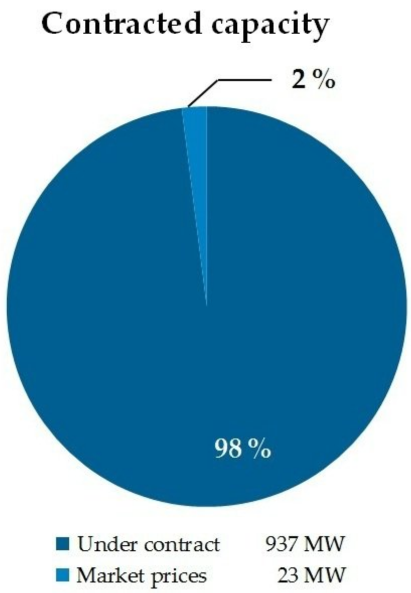
Boralex Inc. (“Boralex” or the “Corporation”) is a Canadian power producer that develops, constructs and operates renewable energy power stations. As at March 31, 2015, the Corporation had approximately 250 employees and operated an asset base with an installed capacity of **1,130 megawatts** (“MW”), of which 960 MW[1] were under its control, consisting of 393 MW in Canada, 484 MW in France and 83 MW in the Northeastern United States. At the same date, Boralex had new production sites under development representing an additional 163 MW, of which 10 MW where commissioned in April 2015, while most of the other sites are scheduled for commissioning before the end of 2015.

- As at March 31, 2015, Boralex operated a **750 MW[1] wind power** portfolio of assets in France and Canada, which grew to 760 MW in early April. In recent years, Boralex has become France’s leading independent land-based wind power producer with 467 MW in operation, as at March 31, 2015, and an additional 38 MW to be commissioned by 2016. In addition, Boralex owns the rights to a large portfolio of wind power projects in France in various phases of development. Boralex is also a well-established wind power operator in Canada with an installed capacity of 454 MW (with 283 MW under its control) in Ontario and in Québec where wind power stations totalling an additional 99 MW are to be commissioned by the end of 2015.
- Boralex has been a **hydroelectric power** producer for over two decades, operating **158 MW** in Québec and British Columbia, Canada, and in the Northeastern United States. The Corporation also has a 16 MW hydroelectric power station currently under development in Ontario, Canada.
- Boralex owns two **thermal power** stations with a total installed capacity of **47 MW**, consisting of a 35 MW wood-residue power station in Québec and a 12 MW natural gas cogeneration power station in France.
- Boralex operates a **solar power** facility in France with a **5 MW** installed capacity and will commission during the summer an additional 10 MW.

The following charts[1] provide information about the makeup of the Corporation’s energy portfolio in operation as at March 31, 2015. As they show, one of Boralex’s driving forces is its geographic and segment diversification. The cornerstone of Boralex’s strategy: substantially all of its assets in operation are covered by long-term indexed, fixed-price energy sales contracts. That is also the case for 100% of its sites under development.







TOTAL: 960 MW

Average remaining contracts term: 16 years

Boralex’s shares, 27% of which are held by Cascades Inc. (“Cascades”), and convertible debentures are listed on the Toronto Stock Exchange under the ticker symbols BLX and BLX.DB, respectively.

(1) These data, and all of the data contained in this MD&A, reflect Boralex’s share in various assets and exclude, accordingly, its partner’s 50% share in the Joint Venture Phases I and II operating the Seigneurie de Beaupré Wind Farms in Québec with a total installed capacity of 340 MW.

Executive Summary

Financial Highlights

Proportionate Consolidation[1]

↗ Production, revenues, adjusted EBITDA and adjusted cash flows from operations are up 27%, 21%, 21% and 18%, respectively

(in thousands of dollars, except production, EBITDA margin and per share amounts)	Three-month periods ended March 31 2015	2014
Production (MWh)	733,540	577,277
Revenues from energy sales	91,174	75,522
Adjusted EBITDA [2]	62,803	51,757
Adjusted EBITDA margin (%) [2]	69%	69%
Adjusted net earnings [2] [3]	9,957	7,887
Adjusted net earnings - per share (basic) [2] [3]	$0.21	$0.21
Adjusted cash flows from operations [2]	43,241	36,568
Adjusted cash flows from operations - per share (basic) [2] [3]	$0.91	$0.96

Financial Highlights

IFRS

↗ Production, revenues, adjusted EBITDA and adjusted cash flows from operations are up 21%, 15%, 24% and 39%, respectively

(in thousands of dollars, except production, EBITDA margin and per share amounts)	Three-month periods ended March 31 2015	2014
Production (MWh)	559,675	460,747
Revenues from energy sales	72,517	62,930
Adjusted EBITDA [2]	52,242	42,205
Adjusted EBITDA margin (%) [2]	72%	67%
Adjusted net earnings [2] [3]	9,957	7,951
Adjusted net earnings - per share (basic) [2] [3]	$0.21	$0.21
Adjusted cash flows from operations [2]	40,689	29,326
Adjusted cash flows from operations - per share (basic) [2]	$0.85	$0.77

(1) On a proportionate consolidated basis; see the *Reconciliations between IFRS and Proportionate Consolidation* and *Non-IFRS Measures* sections

(2) Refer to *Non-IFRS Measures* section for these reconciliations

(3) Attributable to shareholders of Boralex.

Growth Strategy and Recent Developments

Strategy

To lay the foundations of above-average, balanced and sustainable growth, Boralex has been executing its strategy since 2009 to develop its asset base and increasingly secure steady and predictable revenue and cash flow streams, while lowering its business risk exposures. As a result, the Corporation has made the following strategic choices:

- Acquire and develop renewable energy assets covered by long-term indexed, fixed-price energy sales contracts;
- Prioritize renewable energy assets with above-average profit margins, particularly in the wind and hydroelectric power segments; and
- Focus development initiatives on Canada and France.

Dynamic and orderly execution of this strategy has mainly resulted in a surge in Boralex's wind power segment development, lifting installed capacity to 750 MW as at March 31, 2015, from 251 MW in December 2011. The hydroelectric power segment has also reported strong expansion, with installed capacity up nearly fourfold over the past five fiscal years. Boralex has also made its first foray into solar energy production with one power station in operation and a second under construction, thereby deepening its solar expertise since 2011.

At the same time, the Corporation has divested most of its assets not covered by long-term energy sales contracts and considerably reduced the weight of its thermal power segment in its energy portfolio. Proceeds from the sale of assets have been reinvested in the development of its wind and hydroelectric power segments.

In addition, every single energy asset acquired or developed by Boralex since 2009 has been covered by long-term indexed, fixed-price energy sales contracts.

Recent Developments Affecting Boralex's Results and Financial Position in 2015 Compared with 2014

Acquisition of Enel Green Power France S.A.S.

On December 18, 2014, Boralex completed the acquisition of this wholly owned subsidiary of Enel Green Power International B.V., renamed "Boralex Énergie Verte" ("BEV"), for a consideration of €280 million ($400 million), with €132 million ($189 million) in cash. This acquisition made Boralex France's leading independent producer of land-based wind power and grew total installed capacity by 25% to 938 MW. More specifically, the BEV acquisition bolstered Boralex's portfolio with added high-quality assets offering strong geographic diversification, consisting of 12 wind farms in operation totalling 186 MW and a 10 MW wind farm under construction, which was commissioned early April 2015. The assets acquired are all covered by long-term energy sales contracts with Électricité de France ("EDF") with average remaining terms of 11 years. Moreover, the BEV acquisition afforded Boralex a significant portfolio of wind power projects at various stages of development, including several that could be commissioned from 2016 to 2018.

This acquisition delivers significant financial and strategic advantages. In particular, the Corporation expects the new assets to generate approximately €30 million ($41 million) in annual EBITDA (before development costs). They will generate an immediate and substantial increase in cash flows, improving the Corporation's liquidity and providing additional flexibility to fund future development and achieve its dividend policy objectives. In addition, Boralex's expanded critical mass in the French wind power market will generate certain operating synergies and step up its purchasing power for the acquisition of wind turbines and replacement parts, and result in lower management fees and insurance costs. In terms of strategic positioning, the acquisition has increased Boralex's geographic diversification and substantially strengthened its competitive position and long-term growth potential in France, a particularly favourable market for Boralex, given its leadership role and that developing the wind power industry is a clear and ambitious government policy objective.

Financing the Acquisition of Boralex Énergie Verte

The BEV acquisition was financed as follows:

- Cash on hand;
- A €180 million ($257 million) borrowing facility with a 15-year term at an annual interest rate of approximately 3%. This facility provides for an additional €25 million tranche to be drawn down for the purpose of financing a distribution to Boralex once certain conditions are met;
- A $45 million increase in the existing revolving credit facility bringing its limit to $175 million; and
- A $100 million bridge facility, repaid in the first quarter of 2015, out of the $124.0 million in gross proceeds from the public of 8,430,000 common shares of Boralex at a price of $13.05 per share, followed by an issue, as of January 30, of 1,075,000 additional shares at a price of $13.05 per share on exercise of 85% of the over-allotment option held by the syndicate of underwriters.

Accordingly, Boralex enjoys a sound and flexible cash position and capital structure with a view to pursuing its development objectives.

Commissioning of New Production Sites in Canada and in France

2014

During fiscal 2014, the Corporation commissioned the following power stations, which will make a full-year contribution to 2015 results compared with a partial contribution in 2014:

- The **Jamie Creek** hydroelectric power station (22 MW) in British Columbia in May 2014. Covered by a 40-year energy sales contract with BC Hydro with a 20-year renewal period, this new power station has served to strengthen Boralex's presence in British Columbia, where the Corporation now aggregates 37 MW of hydroelectric installed capacity. Performance at the new power station has been in line with its potential and should generate EBITDA of approximately $5 million on an annual basis.
- French wind farm **Fortel-Bonnières** (23 MW), covered by a 15-year energy sales contract with EDF, in October and November 2014. Management estimates that this power station will contribute approximately $6 million to the Corporation's EBITDA annually.
- **Joint Venture Phase II's** Seigneurie de Beaupré Wind Farm 4 in Québec was commissioned on December 1, 2014, totalling 68 MW (including Boralex's 34 MW share) covered by a 20-year energy sales contract with Hydro-Québec. This power station, which offers logistical synergies with the Joint Venture Phase I already in operation, was delivered within the capital investment budget and was commissioned slightly ahead of its deadline. To date, its performance has more than satisfied management's expectations and estimates are that it will contribute approximately $9 million to the Corporation's annual EBITDA (Boralex's share).
- Also on December 1, 2014, the 23.5 MW **Témiscouata I** community wind farm developed jointly with Témiscouata Regional County Municipality ("RCM") in Québec. This power station is covered by a 20-year contract with Hydro-Québec. Management estimates it will contribute approximately $8 million to the Corporation's EBITDA annually.

2015

Since the beginning of fiscal 2015, the Corporation has commissioned the following power stations, on budget and on schedule:

- On March 9 (first quarter) and April 13 (second quarter) of 2015, the 22.8 MW **St-François** wind farm in France. Covered by a 15-year energy sales contract with EDF, the power station should generate EBITDA of approximately $5 million on an annual basis.
- On April 13, 2015, the 10 MW **Comes de l'Arce** wind power project in France, which was part of the BEV acquisition. This project is also covered by a 15-year contract with EDF and its annual contribution to EBITDA is estimated at approximately $2 million.

In combination with the acquisition of BEV's power stations in operation, the above commissionings will have a significant impact on fiscal 2015 operating results. For information purposes, based on the IFRS equity method, the expansion of Boralex's operating base since December 2013 has given rise to an additional contribution of $14.5 million to consolidated EBITDA for the first three months of 2015 compared with the same period in 2014.

Furthermore, other wind power assets totalling 123 MW at **Calmont** and **Montfort Peyruis** in France and **Côte-de-Beaupré**, **Témiscouata II** and **Frampton** in Québec will be commissioned during 2015. These projects are described later in this MD&A.

Lastly, Boralex is currently investing in the development of the **Touvent** wind farm in France and the **Yellow Falls** hydroelectric power station in Canada, a further 30 MW of energy assets which will be commissioned in 2016 and 2017. While these projects will not make a contribution to 2015 results, they will have an impact on the Corporation's cash flows and financial position during the current fiscal year.

Acquisitions Within the Last 12 Months

- On July 30, 2014, Boralex announced the acquisition of the 14 MW **Calmont** wind power project, in France, covered by a 15-year energy sales contract with EDF. Located in the Midi-Pyrénées region, Calmont is only a few kilometers from Boralex's Avignonet-Lauragais power station, which offers attractive synergies. Commissioning of the power station will take place before the end of 2015. Agreements have been signed with most suppliers and financing was completed on April 3. Management expects Calmont to generate EBITDA of approximately $3 million per year.
- On January 12, 2015, Boralex announced the acquisition of an interest in the 24 MW capacity **Frampton** community wind power project. Held 33.3% by the Municipality of Frampton and 66.7% by Boralex, the project is located on private lands in the Municipality of Frampton, in Québec's Chaudières-Appalaches region. It is covered by a 20-year energy sales contract with Hydro-Québec. Arrangements are currently being made to finalize financing. Construction on the Frampton project is underway, with commissioning slated for December 2015. The power station will generate annual EBITDA estimated at $9 million.

- On February 3, 2015, Boralex acquired the 13.8 MW **Touvent** wind power project in France, covered by a 15-year contract with EDF. Management expects Touvent to generate EBITDA of approximately $3.0 million per year. A number of agreements have been signed with suppliers. Construction on the project will begin during the third quarter of 2015 with commissioning slated for the third quarter of 2016.

Repurchase of European Partners Cube's Interest

On February 27, 2015, Boralex announced the closing of a financial settlement whereby Cube Energy SCA ("Cube") agreed to exchange its entire 25.33% equity interest in Boralex Europe S.A. for term loans. Under the settlement, in consideration for the Corporation acquiring 100% control of Boralex Europe, Cube will receive a payment of €16 million, bearing interest at 5%-6.5%, payable by the end of 2015, and the shares held by Cube will be exchanged for two term loans totalling €40 million issued by two European subsidiaries of the Corporation and bearing interest at a fixed rate of 6.5%, with no repayment prior to maturity in January 2019.

The transaction demonstrates management's intention to strengthen Boralex's leadership position in the French market, which it considers as the most promising market for wind power development in Europe. With it, the Corporation will enjoy greater leverage to implement its growth strategy in Europe.

Continuation of the Dividend Policy Introduced in 2014

On February 19, 2014, Boralex's Board of Directors authorized and declared the Corporation's first-ever dividend, namely a quarterly dividend of $0.13 per outstanding common share. The first dividend pay-out occurred on March 17, 2014. Since then, dividends have been authorized, declared and paid each quarter.

The introduction of a dividend policy is a reflection of Boralex's commitment to enhancing shareholder value. This decision is also a milestone in the Corporation's development as it enjoys a strong cash position, supported by stable cash flows generated by quality assets under long-term indexed, fixed-price energy sales contracts.

In the medium term, Boralex expects to pay common share dividends on an annual basis representing a ratio of 40% to 60% of its discretionary cash flows, defined as its cash flows from operations less capital investments required to maintain its production capacity and less project-related non-current debt payments.

Effect of Boralex's Strategy on the Makeup of its Energy Portfolio and on its Financial Performance

As the following charts show, Boralex's strategic decisions made in recent years have substantially transformed and enhanced its positioning.

In **contractual** terms, Boralex's long-term covered portion of installed capacity in operation grew to 98% in 2015 from 51% in 2009. In addition, all of its development projects are also covered by long-term contracts, ensuring higher, more predictable future profitability and cash flows.

From a **segment** perspective, these developments mainly resulted in a higher relative weight of the wind and hydroelectric power segments, which generate higher profit margins than Boralex's thermal power segment. As at March 31, 2015, the combined share of assets in operation in those two segments totalled 94%. In contrast, the thermal power segment's share of Boralex's overall installed capacity has fallen to 5% in 2015 from 57% in 2009. One of the main benefits of this trend is that the Corporation's results will become more stable and predictable by reducing its exposure to fluctuations in the cost and potential scarcity of fuel used in the thermal power stations, namely natural gas and wood residue.

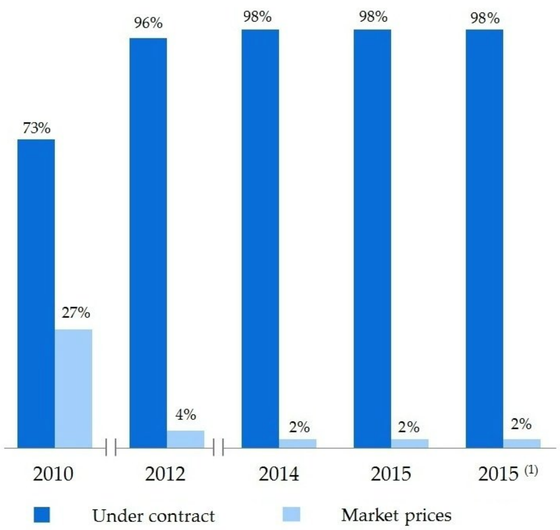
Developments over recent fiscal years have strengthened the Corporation's **geographic** positioning in its two strategic areas, Canada and France, where 41% and 50%, respectively, of Boralex's capacity in operation is now located, compared with 10% and 29% respectively, in 2009. The United States accounted for 9% of the Corporation's capacity in operation as at March 31, 2015.

Generally, Boralex estimates that the financial returns from its development strategy are as follows:

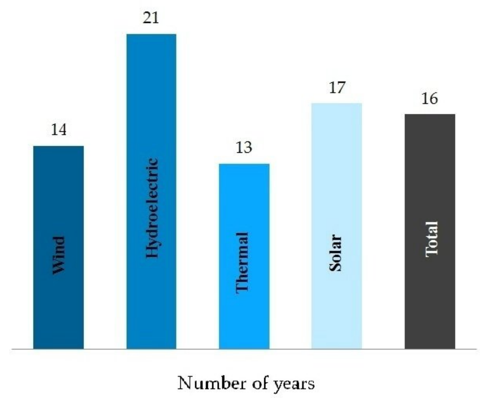
- Growth in the Corporation's operating profit margin resulting from the increased weighting of more profitable segments in its energy portfolio-wind and hydroelectric power;
- A stabilizing impact on results by these sectors, due to the geographic diversification of their assets; and
- In spite of the scale of recent and planned investments, in addition to the introduction of a dividend policy, maintaining a solid cash position and reasonable debt through significant and steady fund inflows from operations.

These charts provide information about the makeup of the Corporation's energy portfolio as at March 31, 2015 and its changes compared with the end of previous fiscal years.

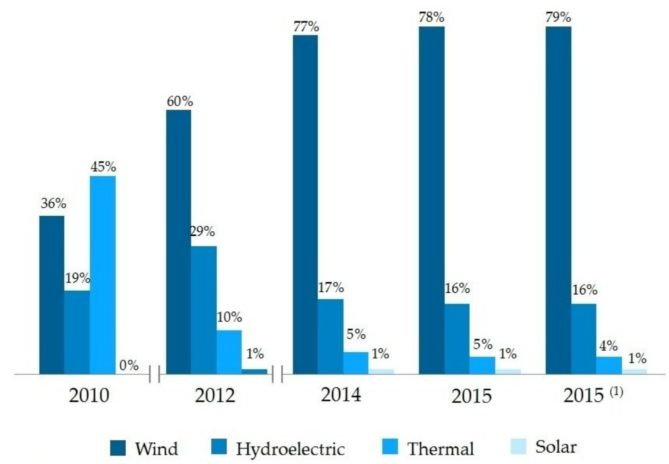
Contracted capacity



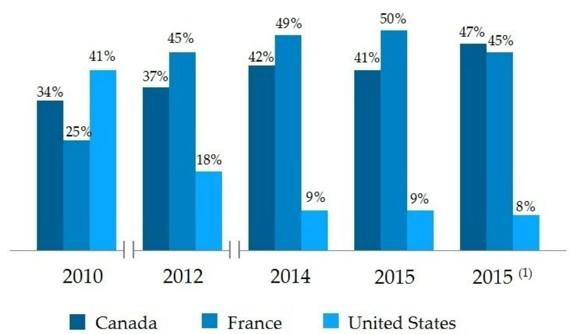
Average contracts residual term[2]



Capacity by sector



Capacity by country

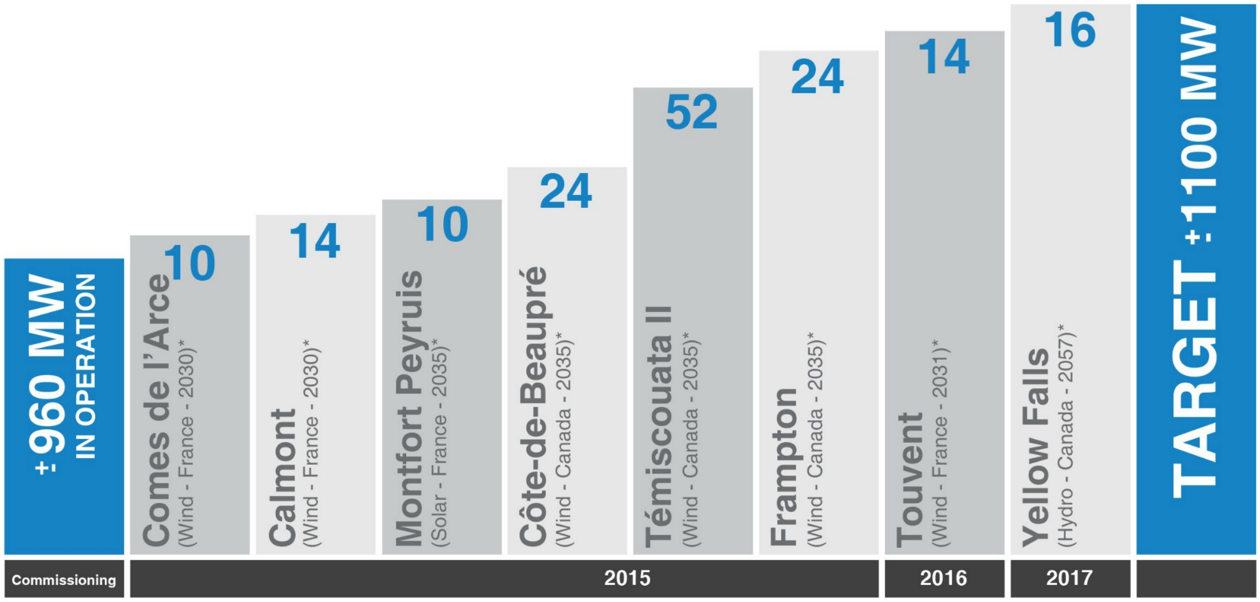


[1] Pro forma, including Boralex's interest of 163 MW in development projects as at March 31, 2015.

[2] Based on annual production in MWh.

Outlook and Development Objectives

Growth Path
As at March 31, 2015



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

Wind

Accounting for 78% of Boralex's total installed capacity as at March 31, 2015, this segment has been Boralex's top growth driver over the past five years and will remain so over the short and medium terms. Wind power will account for nearly 80% of the Corporation's energy portfolio by early 2016. In addition to its team's expertise and skills in identifying, financing, developing and operating high-quality wind farms, some of which are very large in scale, Boralex has a unique development strategy based on two geographic areas: France and Canada. This strategy affords it geographic and climate diversification that has a smoothing effect on its results, but also gives it access to a wider range of growth opportunities and the leeway to adjust to its differently evolving target markets.

2015-2017 Outlook

Boralex expects wind power results to grow significantly over the next three fiscal years. As shown by the Growth Path table and Financial Target chart in this section, this growth will stem from the following sources:

- Immediate contributions from the 12 BEV power stations in operation acquired on December 18, 2014, coupled with the synergies generated by this acquisition to be achieved gradually over the next few quarters. The process of integrating this new operating base is underway and its performance to date is in line with management's expectations;
- The full contribution from wind farms totalling 80 MW (Boralex's share) commissioned during 2014 as discussed above, consisting of French wind farm **Fortel-Bonnières**, as well as **Phase II** of the Seigneurie de Beaupré Wind Farms and **Témiscouata I**; and
- Contributions from wind power stations totalling 160 MW which have been or will be commissioned through 2015 to 2016, not including the other expansion projects that could materialize in the meantime.

France

An additional 61 MW in 2015 and 2016, covered by 15-year energy sales contracts with EDF

- The 22.8 MW **St-François** power station commissioned in March and April 2015;
- The 10 MW **Comes de l'Arce** power station commissioned in April 2015;
- The 14 MW **Calmont** wind power project which will be commissioned late in 2015; and
- The 14 MW **Touvent** wind power project which is slated for commissioning in the third quarter of 2016.

These four projects are discussed in detail in the previous section.

Canada

An additional 99 MW in 2015, covered by 20-year energy sales contracts with Hydro-Québec

- The 23.5 MW **Côte-de-Beaupré** community wind farm, developed jointly with La Côte-de-Beaupré RCM. This wind farm is located on Seigneurie de Beaupré lands, thereby benefitting from logistical synergies with the existing wind farms operated by Boralex, totalling 340 MW. It will be commissioned in December 2015. Financing is underway. Management estimates its future contribution to annual EBITDA will be approximately $8.5 million.
- Abutting the Témiscouata I wind farm, the **Témiscouata II** project, wholly owned by Boralex, will aggregate an installed capacity of 52 MW. This power station is covered by a 20-year contract with Hydro-Québec. Boralex began construction in 2014 to leverage logistical synergies with Témiscouata I. On June 26, 2014, the Corporation also announced that $142.7 million in financing had been arranged for Témiscouata II. Management estimates this future power station will contribute approximately $15.7 million to annual EBITDA.
- The 24 MW **Frampton** community project, which will be commissioned in December 2015 (see the previous section).

Longer-term Outlook

Despite intense competition in the global wind power market, certain external factors are conducive to development in this energy niche, including a relatively stable financial and interest-rate environment that is expected to remain so in the foreseeable future, and technological breakthroughs in wind turbines that, by enhancing equipment productivity, allow Boralex to maintain its profit margins in spite of competitive pressures.

Moreover, as the global wind power industry has consolidated over the past few years, certain major players have refined their target positioning and withdrawn from certain markets to redeploy resources accordingly. This trend generates acquisition opportunities for Boralex, such as when multinational Enel Green Power decided to divest of its subsidiary Enel Green Power France S.A.S.

Boralex's wind power segment is bolstered by its presence in two separate geographic markets, which allows the Corporation to fine-tune its strategy in response to the specific trends of its target markets.

Europe

France currently offers the highest concentration of development opportunities for Boralex's wind power segment. It is firmly committed to the development of wind power, having set the clear objective of increasing to 30% by 2030 the share of renewable energy in French national electricity production. Furthermore, Boralex is now France's largest private land-based wind power producer and holds the rights to a sizeable portfolio of projects, primarily in wind power, through BEV. A number of those projects are in relatively advanced stages of development and could be commissioned between 2016 and 2018.

Back in 2012, Boralex entered into a five-year agreement with InnoVent, in France, to secure options to acquire 130 MW in additional wind power projects currently under development by InnoVent.

In July 2014, Boralex and a Danish developer entered into an equally owned joint venture to develop an offshore wind power project in Denmark over a three- to five-year horizon. Management sees Denmark as a welcoming and favourable market for this type of project.

Canada

In Canada, although provincial governments have offered some support for wind power, the business environment has significantly hardened over the past few years owing to a number of factors including Québec's current electricity surplus, the overall weakness of the economy and especially, a growing trend by provincial governments to rely on requests for proposals, stepping up pressure on prices.

Nevertheless, Boralex remains confident in the medium- and long-term outlook for its wind power segment in Canada, particularly in light of a potential economic recovery and the solid positioning the Corporation has already built. In the shorter term, development in Canada will focus in particular on finding opportunities to acquire wind power projects at various stages of development that are covered by energy sales contracts. The Corporation has also acquired the rights to wind power projects in Ontario and British Columbia, whose potential is currently under review.

Competitive Advantages of Boralex's Wind Power Segment

Boralex's management team generally believes that the quality of the wind power segment's medium- and long-term outlook is also based on the Corporation's intrinsic strengths, such as:

- Its solid and flexible financial position;
- Its geographic diversification across all regions of France, as well as two Canadian provinces;
- The scope and quality of its assets in operation and its projects under development, which are all covered by long-term energy sales contracts;
- Its highly skilled, multidisciplinary and entrepreneurial team with a constant eye out for the best development opportunities;
- Its growing expertise in project development and for structuring the required financing, as well as in the construction and operation of wind farms, based on rigorous financial management and proactive and disciplined operational management; and
- Its growing reputation in world financial markets as a credible, highly efficient developer and operator of increasingly large-scale wind power facilities.

Hydroelectric

Boralex's hydroelectric power segment will get a boost from a full-year contribution from the Jamie Creek power station in fiscal 2015 compared with 7.5 months in 2014, including the run-in period.

Moreover, by the end of 2015, Boralex expects to have completed most of the work at its Buckingham power station in Québec, Canada, to comply with the *Dam Safety Act*. Building on a $2.8 million investment in 2014, the Corporation expects to invest approximately $8 million in 2015. To that end, the Corporation entered into an agreement in April 2015. Concurrently with this work, management is still reviewing various investment scenarios aimed at expanding the power station's installed capacity to 20 MW from its current 10 MW.

On April 13, 2015, Boralex announced the start of construction on the new 16 MW **Yellow Falls** hydroelectric power station in Ontario, Canada, for which it had previously acquired the rights. This is Boralex's first hydroelectric power station in Ontario and is slated for commissioning in the first quarter of 2017. The power station's annual production is estimated at 67 GWh and will generate annual EBITDA of approximately $7 million. Yellow Falls is covered by an initial 20-year power sales contract with four renewal options, each for a five-year period, at the Corporation's discretion.

The Corporation continues to review a number of acquisition opportunities to grow its hydroelectric power segment in markets in which it has an established presence so as to generate operating synergies. With over twenty years' experience in hydroelectric power, a skilled team and high quality assets, Boralex believes it is poised to make further inroads into the hydroelectric market. The Corporation has a large hydroelectric power base with good geographic distribution, attractive profit margins, and steady and predictable cash flows. This balanced profile softens the impact on segment results of weather or economic conditions, including fluctuations in open market selling prices in the United States, and U.S. and Canadian dollar exchange rate fluctuations. Given the quality of the assets and the ongoing maintenance program underway at all Boralex hydroelectric power stations, there is no indication that production will not be in line with historical averages. In addition, Canadian power stations will continue to benefit from indexation under energy sales contracts, throughout the contract term.

Thermal

While thermal power is not a preferred development target under Boralex's growth strategy, the Corporation is still open to business opportunities that could arise in the sector, provided the assets are covered by long-term energy sales and raw material supply contracts, and meet Boralex's market position and performance objectives.

From that perspective, Boralex is planning to take part in the call for tenders by Hydro-Québec Distribution related to the supply of 500 MW of power in periods of peak demand from its Kingsey Falls, Québec, natural gas cogeneration power station. This power station ceased power generation operations in November 2011 when its initial contract with Hydro-Québec expired.

The Corporation is also interested in new green and renewable energy production technologies based on forest biomass. To that effect, in 2014, the Corporation acquired for a $1.4 million consideration a 27% interest in a young Nova Scotia, Canada company that is developing a technology to produce renewable synthetic diesel fuel from wood fibre.

Senneterre Power Station - Canada

Under a new agreement entered into with Hydro-Québec for fiscal years 2014 to 2018 inclusively, the Senneterre power station generates electricity eight months of the year, from December to March and June to September, and will receive financial compensation to maintain comparable profitability relative to previous years. As demonstrated by the performance reported by this power station since the new agreement came into effect, this agreement affords operating conditions conducive to stable and predictable profitability.

Blendecques Power Station - France

In 2013, a new energy sales contract with EDF was entered into for an additional 12-year term ending on October 31, 2025. To honour this new agreement, the power station underwent modernization work in 2014, representing an investment of approximately €6 million. New equipment has been operational since November 1, 2014 and performing according to expectation.

Solar

Boralex's only solar power station in operation has performed to management's expectations since its commissioning in June 2011. The Corporation expects an average electricity production of approximately 5,000 MWh for the first ten years, with an expected average EBITDA margin of 80%-85% over the period, as supported by the favourable results to date.

Solar power generation is a growth industry with market rules and government positions to be worked out in the years to come. Boralex believes this clean and abundant source of renewable energy has potential, particularly as technological breakthroughs gradually push down equipment costs, thereby making solar power a more competitive energy alternative.

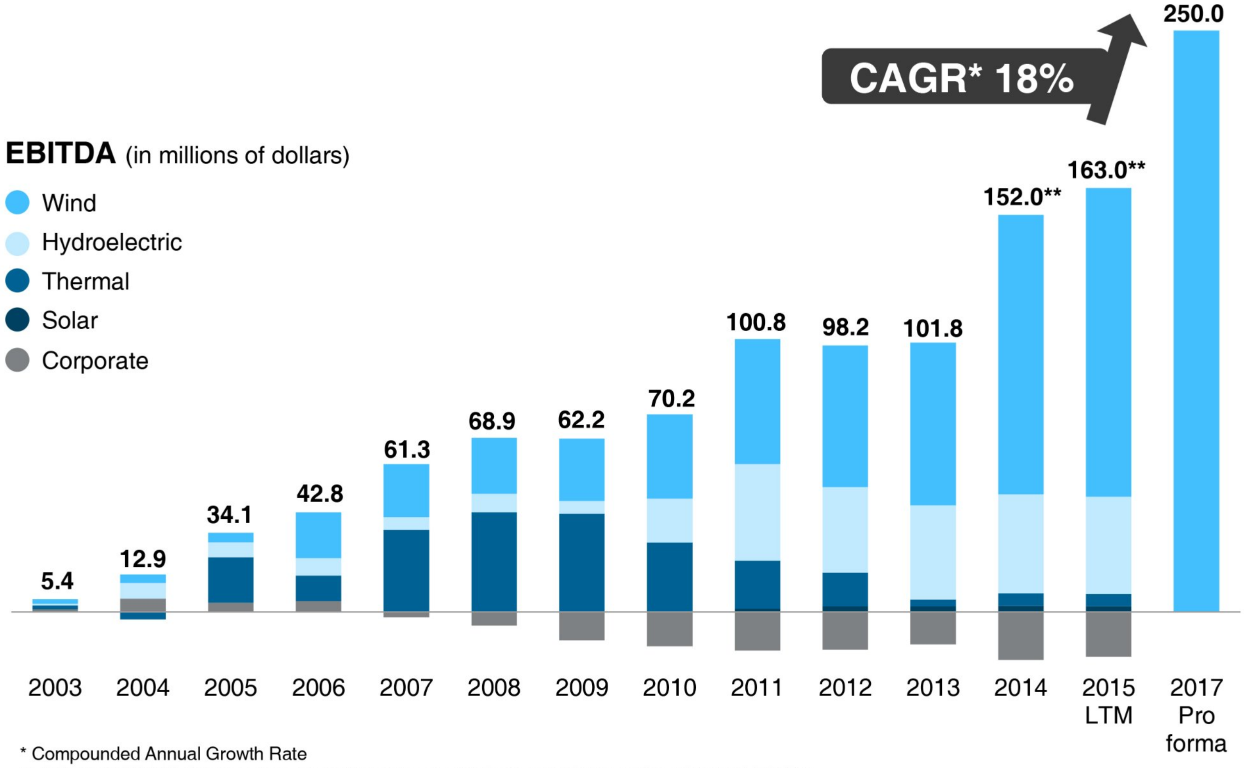
In France, Boralex also draws on a skilled solar project development team and holds the rights to a number of projects under development.

On May 5, 2015, Boralex announced the 10 MW Montfort Peyruis solar power project located in France, to be commissioned in the third quarter of 2015. This project is covered by a 20-year contract with EDF and a contract for construction of the connection grid was signed in April 2015. Management estimates this power facility will make an annual contribution to the Corporation's EBITDA of approximately $1 million. The Corporation is currently finalizing financing.

Boralex Inc.: Taking Growth to the Next Level

As shown in the graph below, Boralex's short- and medium-term growth outlook is closely linked to prospects in the wind power industry, given its dominant position in the Corporation's current energy portfolio and the strong growth potential of its project pipeline and business environment, particularly in France. In fact, the BEV acquisition has taken Boralex to a new level of growth, placing it among Canada's top-five independent renewable energy producers.

Financial Target



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

2015-2017 Outlook

Given the recent expansion of its operating base and potential for development, Boralex has set itself the new financial target of establishing an asset base in operation capable of generating an EBITDA of $250 million (on a proportionate consolidation basis) by the end of 2017.

In ealy 2014, the Corporation disclosed the following objectives to its shareholders: aggregate energy assets totalling 950 MW by the end of 2016, to generate $200 million in EBITDA on a proportionate consolidation basis. In fact, that objective was achieved one year ahead of time, owing primarily to the BEV acquisition in France. On a proportionate consolidation basis, Boralex's installed capacity stood at 970 MW as at May 5, 2015 and will exceed the 1,000 MW mark during 2015.

Furthermore, Boralex is currently working on building a pipeline of projects for the upcoming years, as reflected by the BEV acquisition and the recently announced launch of the Yellow Falls hydroelectric project.

Driven mainly by the expansion in the wind power segment, the Corporation's financial growth over the next three fiscal years will be fuelled principally by:

- The integration of the 12 power stations in operation acquired from BEV;
- The full-year contribution from assets totalling 102 MW commissioned in 2014, of which three wind farms and one hydroelectric power station;
- The **St-François** and **Comes de l'Arce** wind power stations totalling 33 MW, recently commissioned in France;
- The other wind power stations totalling 127 MW to be commissioned between 2015 and 2016;
- Commissioning of the new 20 MW **Montfort Peyruis** solar power station in 2015;
- Commissioning of the new 16 MW **Yellow Falls** hydroelectric power station in 2017; and
- All without taking into account any additional expansion projects that could arise in the interim.

Boralex's project execution and shareholder dividends are buttressed by a solid statement of financial position with a cash position of $101.1 million as at March 31, 2015 (on a proportionate consolidation basis including restricted cash). Given its expertise acquired over many years in the development, financing, construction, commissioning and profitable operation of increasingly large-scale energy assets, Boralex is confident its full slate of projects under development and construction will be delivered successfully.

Priority Objective: Create Value

For Boralex, the ultimate goal is to create growing and sustainable economic value for its shareholders through the right mix of strategic, operating and financial conditions to increase profits and cash flows, and in turn market value, while supporting its dividend policy.

By 2018, the Corporation intends to become one of the five largest, most experienced and best diversified Canadian independent renewable energy producers in its key markets. What's more, Boralex is dedicated to offering competitive shareholder returns, by delivering on its current project pipeline and tapping into its strong future development potential, particularly in France and Canada.

The Corporation will continue exclusively targeting operating assets or projects covered by long-term energy sales contracts to secure steady and predictable cash flows. More specifically, its expansion targets are as follows:

- The wind power segment, primarily in France and Canada (Québec, Ontario and British Columbia);
- The hydroelectric segment, mainly in jurisdictions where Boralex already operates power stations; and
- The solar power segment in Canada and France.

At the same time, the Corporation will closely monitor new international developments in green and renewable energy production.

Boralex believes that along with its solid presence in these markets conducive to further expansion, it commands strong competitive advantages to continue seizing market opportunities in terms of asset quality and available development projects, in line with its strategy. The Corporation's main strengths lie in its robust finances, its growing ability to generate cash flows from operations, its targeted development approach, its solid multidisciplinary team and its entrepreneurial culture. It is thus able to act on arising business opportunities with speed and precision and complete increasingly large-scale projects while meeting budgets, deadlines and financial performance targets.

To meet its growth goals and maintain its operating and development capacity, Boralex will remain a solid and innovative organization, driven by clear objectives with rigorous attention to meeting target returns and guided by a long-term vision setting out its sources of production, its target markets and its approach to project development. It will continue to strengthen its business model based on:

- Maintaining comprehensive in-house expertise in developing and operating renewable energy production assets, supported by leading-edge management tools;
- A disciplined and targeted development approach based on meeting financial performance targets in step with the risks inherent in each project; and
- Maintaining sound capital management and sufficient financial flexibility to seize potential growth opportunities and ensure uninterrupted access to capital markets.

Seasonal Factors

(in thousands of dollars, except MWh, per share amounts and number of shares outstanding)	Three-month periods ended June 30, 2014	September 30, 2014	December 31, 2014	March 31, 2015	Twelve-month period ended March 31, 2015
POWER PRODUCTION (MWh)					
Wind power stations	163,508	112,029	245,601	385,895	907,033
Hydroelectric power stations	223,702	139,938	154,752	113,587	631,979
Thermal power stations	18,521	45,909	34,092	59,155	157,677
Solar power station	2,042	1,952	1,080	1,038	6,112
	407,773	299,828	435,525	559,675	1,702,801
REVENUES FROM ENERGY SALES					
Wind power stations	21,296	14,133	31,278	48,712	115,419
Hydroelectric power stations	17,622	12,236	14,312	12,584	56,754
Thermal power stations	3,885	5,660	7,569	10,736	27,850
Solar power station	1,021	945	514	485	2,965
	43,824	32,974	53,673	72,517	202,988
EBITDA					
Wind power stations	16,610	9,567	28,123	44,586	98,886
Hydroelectric power stations	14,002	8,816	9,730	9,247	41,795
Thermal power stations	(1,101)	588	1,188	4,525	5,200
Solar power station	902	850	391	404	2,547
	30,413	19,821	39,432	58,762	148,428
Corporate and eliminations	(6,897)	(5,057)	(9,374)	(7,008)	(28,336)
	23,516	14,764	30,058	51,754	120,092
NET EARNINGS (LOSS) ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX					
Continuing operations	(5,044)	(9,506)	(6,981)	6,606	(14,925)
Discontinued operations	785	312	716	—	1,813
	(4,259)	(9,194)	(6,265)	6,606	(13,112)
NET EARNINGS (LOSS) PER SHARE - BASIC AND DILUTED ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX					
Continuing operations	($0.13)	($0.25)	($0.18)	$0.14	($0.37)
Discontinued operations	$0.02	$0.01	$0.02	—	$0.05
	($0.11)	($0.24)	($0.16)	$0.14	($0.32)
CASH FLOWS FROM OPERATIONS					
In dollars	7,739	2,633	13,983	40,201	64,556
Per share (basic)	$0.20	$0.07	$0.36	$0.84	$1.59
Weighted average number of shares outstanding (basic)	38,346,572	38,390,851	38,411,980	47,759,276	40,695,160

(in thousands of dollars, except MWh, per share amounts and number of shares outstanding)	Three-month periods ended June 30, 2013	September 30, 2013	December 31, 2013	March 31, 2014	Twelve-month period ended March 31, 2014
POWER PRODUCTION (MWh)					
Wind power stations	166,992	96,921	227,195	264,859	755,967
Hydroelectric power stations	197,923	131,786	142,912	123,587	596,208
Thermal power stations	7,191	33,851	31,448	71,116	143,606
Solar power station	1,788	2,098	980	1,185	6,051
	373,894	264,656	402,535	460,747	1,501,832
REVENUES FROM ENERGY SALES					
Wind power stations	20,384	11,822	29,305	35,356	96,867
Hydroelectric power stations	15,691	11,206	12,746	13,996	53,639
Thermal power stations	3,268	4,657	6,976	12,976	27,877
Solar power station	798	966	469	602	2,835
	40,141	28,651	49,496	62,930	181,218
EBITDA					
Wind power stations	15,569	6,872	24,279	32,211	78,931
Hydroelectric power stations	12,532	7,595	9,002	10,167	39,296
Thermal power stations	(1,070)	(614)	26	4,572	2,914
Solar power station	706	853	438	491	2,488
	27,737	14,706	33,745	47,441	123,629
Corporate and eliminations	(4,544)	(2,054)	(4,706)	(5,236)	(16,540)
	23,193	12,652	29,039	42,205	107,089
NET EARNINGS (LOSS) ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX					
Continuing operations	(1,685)	(8,390)	455	7,112	(2,508)
Discontinued operations	622	917	74	839	2,452
	(1,063)	(7,473)	529	7,951	(56)
NET EARNINGS (LOSS) PER SHARE - BASIC ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX					
Continuing operations	($0.04)	($0.22)	$0.01	$0.19	($0.07)
Discontinued operations	$0.02	$0.02	—	$0.02	$0.06
	($0.02)	($0.20)	$0.01	$0.21	($0.01)
NET EARNINGS (LOSS) PER SHARE - DILUTED ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX					
Continuing operations	($0.04)	($0.22)	$0.01	$0.18	($0.07)
Discontinued operations	$0.02	$0.02	—	$0.02	$0.06
	($0.02)	($0.20)	$0.01	$0.20	($0.01)
CASH FLOWS FROM OPERATIONS					
In dollars	17,775	(5,135)	15,322	29,326	57,288
Per share (basic)	$0.47	($0.14)	$0.41	$0.77	$1.52
Weighted average number of shares outstanding (basic)	37,740,004	37,748,196	37,757,835	37,980,635	37,805,897

The Corporation's operations and results are partly subject to seasonal cycles and other cyclical factors that vary by segment. Since nearly all of Boralex facilities have long-term indexed fixed-price energy sales contracts, seasonal cycles mainly affect the total volume of power generated by the Corporation. Only five hydroelectric power stations in the United States, accounting for 2% of the Corporation's total installed capacity in operation, are not covered by long-term energy sales contracts.

Operating volumes at Boralex facilities are influenced by the following seasonal factors, depending on their specific power generation method.

Wind

For the wind power assets currently in operation in which Boralex's share totals 760 MW as at the date of this MD&A, wind conditions are usually more favourable in the winter, which falls during Boralex's first and fourth quarters, both in France and Canada. However, in winter there is a greater risk of lower production caused by weather conditions, such as icing. In general, management estimates that approximately 60% of annual production in its wind power segment is generated in the first and fourth quarters and 40% in the second and third quarters.

The wind power segment now accounts for 78% of Boralex's aggregate installed capacity and represents by far the Corporation's key driver of revenues, EBITDA and cash flows, particularly with full-year contributions from the assets recently acquired in France as of 2015. This segment will account for an even larger share of the Corporation's energy portfolio in upcoming years, as 127 MW of wind farms under development in Canada and France are progressively commissioned, boosting Boralex's wind power asset capacity to 888 MW by the outset of 2016, and the Corporation taps further into its substantial project pipeline. In particular, this expansion will intensify the impact of the seasonality of this type of power generation on Boralex's overall performance, such that an increasing proportion of the Corporation's revenues will be generated in the first and fourth quarters.

Hydroelectric

For Boralex's hydroelectric assets in operation totalling 158 MW, power output depends on water flow, which in Canada and the Northeastern United States is typically at a maximum in spring and high in the fall, in Boralex's second and fourth quarters, respectively. Historically, water flow tends to decrease in winter and summer. In general, management estimates that approximately 60% of annual production in its hydroelectric power segment is generated in the second and fourth quarters and 40% in the first and third quarters. Note that apart from four hydroelectric power stations whose water flow is regulated upstream yet not under the Corporation's control, Boralex's other hydroelectric facilities do not have reservoirs that would permit water flow regulation during the year.

As previously discussed, five U.S. power stations sell their power in the New York State open market. These facilities have an installed capacity of 23 MW and will account for approximately 13% of the hydroelectric power segment's total capacity following the commissioning of the Yellow Falls power station currently under construction, and just under 2% of Boralex's total installed capacity. These power stations have greater exposure to seasonal fluctuations which, in addition to influencing power production volumes, also impact the selling prices they obtain. They are partly influenced by seasonal demand, which is traditionally higher during winter and summer. Historically, power stations obtain generally higher average prices during these periods. Moreover, the price of natural gas, which is highly volatile, has a significant influence on New York State electricity selling prices.

Thermal

Boralex owns and operates two thermal power stations for an aggregate 47 MW of installed capacity. Of the two, the Senneterre power station in Québec, Canada is fuelled by wood-residue and is covered by a Hydro-Québec energy sales contract expiring in 2027. The Corporation has entered into an agreement with Hydro-Québec covering the years 2014 to 2018 under which the Senneterre power station is limited to producing power eight months per year, from December to March and from June to September. During the term of this agreement, the Senneterre power station will receive financial compensation from Hydro-Québec which will allow it to anticipate profitability akin to recent-year performance.

Boralex also operates a natural gas-fired power station located in Blendecques, France. For the past several years, due to specific market conditions, this power station operates its cogeneration equipment five months of the year, from November to March, which represents all of Boralex's first quarter and part of its fourth quarter. During the electricity production shutdown period, steam continues to be produced for the power station's industrial client using an auxiliary boiler.

Solar

The Corporation's only solar power station, of 5 MW, currently in operation is located in Southwestern France. For this facility, which benefits from a long-term energy sales contract, sunlight conditions are usually more favourable in the spring and summer, which fall during Boralex's second and third quarters. In view of these weather conditions, management estimates that approximately 65% of the annual production at its solar power station will be generated in the second and third quarters.

Generally, while Boralex's performance in a given fiscal year remains partially exposed to seasonal cycles and other cyclical factors, substantially all of its revenues are derived from assets covered by indexed fixed-price contracts, thereby mitigating their effect. The Corporation also capitalizes on solid diversification in its power generation sources and favourable geographic positioning. Furthermore, Boralex gives priority to sound capital management to ensure financial health and flexibility to effectively manage the seasonality of its business. These factors will contribute to strong, stable results for Boralex in the coming years.

Financial Highlights

(in thousands of dollars, except MWh, per share amounts and number of shares outstanding)	Three-month periods ended March 31 2015	2014
POWER PRODUCTION (MWh)		
Wind power stations	385,895	264,859
Hydroelectric power stations	113,587	123,587
Thermal power stations	59,155	71,116
Solar power station	1,038	1,185
	559,675	460,747
REVENUES FROM ENERGY SALES		
Wind power stations	48,712	35,356
Hydroelectric power stations	12,584	13,996
Thermal power stations	10,736	12,976
Solar power station	485	602
	72,517	62,930
EBITDA		
Wind power stations	44,586	32,211
Hydroelectric power stations	9,247	10,167
Thermal power stations	4,525	4,572
Solar power station	404	491
	58,762	47,441
Corporate and eliminations	(7,008)	(5,236)
	51,754	42,205
NET EARNINGS ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX		
Continuing operations	6,606	7,112
Discontinued operations	—	839
	6,606	7,951
NET EARNINGS PER SHARE (BASIC) ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX		
Continuing operations	$0.14	$0.19
Discontinued operations	—	$0.02
	$0.14	$0.21
NET EARNINGS PER SHARE (DILUTED) ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX		
Continuing operations	$0.14	$0.18
Discontinued operations	—	$0.02
	$0.14	$0.20
CASH FLOWS FROM OPERATIONS		
In dollars	40,201	29,326
Per share (basic)	$0.84	$0.77
Weighted average number of shares outstanding (basic)	47,759,276	37,980,635

Statement of Financial Position Data

(in thousands of dollars)	As at March 31, 2015	As at December 31, 2014
Total assets	1,925,754	1,917,959
Debt*	1,116,654	1,161,131
Convertible debentures	233,898	232,977
Total liabilities	1,547,762	1,581,640
Total equity	377,992	336,319

* Including non-current debt and current portion of debt.

Analysis of Operating Results for the Three-Month Period Ended March 31, 2015

Consolidated

Boralex's operating results improved significantly in the first quarter of 2015, including a 23.8% rise in adjusted EBITDA driven primarily by the wind power segment's strong expansion over the previous quarters. Excluding certain specific items recorded during the quarter, as described below, the Corporation also generated a significant increase in its adjusted net earnings.

The following table shows major changes in net earnings attributable to shareholders of Boralex:

	Net earnings (in thousands of $)	Per share (in $, basic)
THREE-MONTH PERIOD ENDED MARCH 31, 2014	7,951	$0.21
Change:		
EBITDA	9,549	$0.50
Amortization	(3,642)	($0.19)
Other gains	(496)	($0.03)
Financing costs	(3,833)	($0.20)
Foreign exchange effect	(1,347)	($0.07)
Financial instruments	(3,457)	($0.18)
Income taxes	2,735	$0.14
Discontinued operations	(839)	($0.04)
Non-controlling shareholders	(15)	—
THREE-MONTH PERIOD ENDED MARCH 31, 2015	6,606	$0.14
Net loss on undesignated financial instruments, net of taxes	3,010	$0.06
Acquisition costs, net of taxes	341	$0.01
THREE-MONTH PERIOD ENDED MARCH 31, 2015 - ADJUSTED	9,957	$0.21

For the three-month period ended March 31, 2015, Boralex generated net earnings attributable to shareholders of $6.6 million or $0.14 per share (basic), compared with net earnings of $8.0 million or $0.21 per share (basic) for the same period of 2014.

This decline resulted mostly from a $3.5 million unfavourable change relating to losses on financial instruments, including a net loss of $3.0 million, net of taxes on undesignated financial instruments (this specific item is discussed later in this section). In addition, the 2015 results include acquisition costs of $0.3 million, net of taxes.

Excluding these two specific items from the results of the first quarter of 2015, the net earnings for the period increased $2.0 million or 25.2% over the previous year to $10.0 million or $0.21 per share.

The highlight of the quarter was the significant rise in EBITDA of $9.5 million, driven primarily by the expansion achieved in 2014, particularly the BEV acquisition. This increase in the Corporation's operating profitability more than offset the higher amortization expense and financing costs arising from the growth in the asset base, the unfavourable foreign exchange effect and certain other unfavourable changes discussed later in this section.

The following table shows major changes in revenues from energy sales and adjusted EBITDA:

	Revenues from energy sales		EBITDA	
	(in thousands of $)	%	(in thousands of $)	%
THREE-MONTH PERIOD ENDED MARCH 31, 2014	62,930		42,205	
Power stations commissioned*	6,005	9.5%	4,970	11.7%
BEV operations**	14,786	23.5%	9,496	22.5%
Pricing	(1,878)	(3.0)%	(1,878)	(4.4)%
Volume	(7,389)	(11.7)%	(6,502)	(15.4)%
Foreign exchange effect	(1,249)	(2.0)%	(674)	(1.6)%
Development - prospecting	—	—	(601)	(1.4)%
Share of Joint Ventures	—	—	4,532	10.7%
Other	(688)	(1.1)%	206	0.5%
Change	9,587	15.2%	9,549	22.6%
THREE-MONTH PERIOD ENDED MARCH 31, 2015	72,517		51,754	
Acquisition costs	—		488	
THREE-MONTH PERIOD ENDED MARCH 31, 2015 - ADJUSTED	72,517		52,242	

* Commissioning of the Jamie Creek hydroelectric power station in May 2014, the Fortel-Bonnières wind power facility in France in October and November 2014, the Témiscouata I wind power facility in Canada in December 2014 and a portion of the St-François wind power facility in March 2015.

** Acquisition of 12 wind farms in operation in France on December 18, 2014, with capacity of 186 MW.

Revenues from Energy Sales

For the three-month period ended March 31, 2015, revenues from energy sales totalled $72.5 million, up $9.6 million or 15.2%. Growth stemmed from additional revenues of $20.8 million generated by the expansion achieved in recent quarters, including $14.8 million from BEV's operating sites acquired in December 2014 and $6.0 million from the commissioning of the facilities listed in the note to the table above. The additional revenues largely offset the following adverse factors:

- A $7.4 million shortfall resulting from lower production volume at existing facilities, particularly the wind power sites in France and the hydroelectric power stations in the United States;
- A $1.9 million unfavourable price effect related mainly to the U.S. hydroelectric power stations and the French thermal power station;
- A $1.2 million unfavourable foreign exchange effect stemming from the weakening of the euro against the Canadian dollar; and
- Various other items totalling $0.7 million, including lower capacity premiums.

Note that, in accordance with IFRS, those results exclude Boralex's $18.7 million share in the revenues generated by the Joint Ventures Phases I and II, commissioned in December 2013 and December 2014, respectively (compared with a share of $12.6 million in the first quarter of 2014). The impact of the commissioning of these facilities is discussed in the *Proportionate Consolidation* section of this MD&A.

In total, Boralex generated 559,675 MWh of electricity in the first quarter of 2015 (excluding its share of the production of Joint Ventures Phases I and II, the impact of which is discussed in the *Proportionate Consolidation* section of this MD&A), up 21.5% from 460,747 MWh for the same period of 2014. This growth resulted from the addition of 15 new wind power facilities acquired and commissioned in recent quarters, as well as the commissioning of the Canadian hydroelectric power station in May 2014. Excluding these new assets, output of the Corporation's existing facilities declined 14.2% from the previous year, mainly due to less favourable wind conditions in France and in Ontario and less favourable water flow conditions in Northeastern United States compared with the same period of 2014.

EBITDA and EBITDA Margin

Consolidated EBITDA amounted to $51.8 million for the quarter, up $9.5 million or 22.6% from $42.2 million for the same period last year. Excluding the acquisition costs of $0.5 million before taxes, adjusted EBITDA totalled $52.2 million, up 23.8% from the same period of 2014. As a result, adjusted EBITDA margin, as a percentage of revenues, grew from 67.1% in 2014 to 72.0% in 2015, the best quarterly performance to date.

EBITDA growth stemmed essentially from the expansion achieved in recent quarters; more specifically, BEV and the various other facilities commissioned in 2014 and 2015 contributed additional EBITDA of $14.5 million while Boralex's share in the earnings of Joint Ventures Phases I and II increased by $4.5 million. In other words, the assets added to Boralex's portfolio of facilities in operation since about one year made an additional total contribution of $19.0 million to consolidated EBITDA compared with the first quarter of 2014.

These new sources of earnings more than offset the following adverse factors:

- A $6.5 million unfavourable volume effect;
- A $1.9 million unfavourable price effect;
- A $0.7 million unfavourable foreign exchange effect; and
- A $0.6 million increase in development and prospecting costs.

Amortization

Amortization expense for the first quarter of 2015 rose $3.6 million to $18.8 million owing primarily to the BEV acquisition and the facilities commissioned as discussed previously. The impact of the addition of these new assets was however mitigated by the end of amortization for certain components, the downward adjustment to the amortization of certain hydroelectric power stations based on their revenues and the favourable impact of the weakening of the euro on the amortization of assets located in France.

Other Gains

Other gains in the amount of $0.1 million realized during the first quarter of 2015 were mainly related to tax credits obtained for wind power projects in Québec. Gains of $0.6 million were realized during the same period of 2014 in connection with the agreement between Boralex and its European partner Cube.

Financing Costs, Foreign Exchange Loss (Gain) and Net Loss on Financial Instruments

Financial costs for the first quarter of 2015 climbed $3.8 million to $17.5 million, owing primarily to the loans contracted in connection with the commissioning of new sites and the BEV acquisition. However, the impact of these new financing arrangements was offset by the decrease in debt related to existing sites, repayment of the $35 million Canadian note in July 2014, the favourable foreign exchange effect and certain other items of lesser importance.

Boralex recognized a $1.0 million foreign exchange loss compared with a $0.3 million foreign exchange gain in the same quarter of the previous year, representing an unfavourable change of $1.3 million.

The Corporation also recorded a net loss of $4.4 million on financial instruments (net loss of $0.9 million in 2014) resulting primarily from fair value remeasurement adjustments on certain financial instruments. Certain interest-rate swaps, previously designated as hedges of potential projects in Canada, were no longer designated under hedge accounting up to January 21, 2015. As at this date, these swaps were designated for two new development projects: Yellow Falls and Frampton. Therefore, the $4.3 million change during the 21-day period was recognized in net earnings. Note however that this loss on financial instruments had no impact on cash flows for the first quarter of fiscal 2015 and the Corporation’s cash position as at March 31, 2015.

Net Earnings from Continuing and Discontinued Operations

Boralex ended the first quarter of 2015 with $8.1 million in net earnings from continuing operations compared with net earnings of $8.5 million for the same period of 2014. Furthermore, $0.8 million in earnings from discontinued operations were generated during the first quarter of 2014 by the sale of Renewable Energy Certificates (RECs) produced by the U.S. wood-residue power stations that Boralex sold at the end of 2011. Under the conditions of the sale transaction, Boralex is entitled to 50% of the RECs sales of these power stations in excess of a defined threshold for 2012, 2013 and 2014 inclusively. As this agreement expired in December 2014, no similar gain was recorded in the first quarter of 2015.

As a result, Boralex generated net earnings attributable to shareholders of $6.6 million or $0.14 per share (basic) for the first quarter of 2015, compared with net earnings of $8.0 million or $0.21 per share (basic) in 2014.

However, as mentioned previously, excluding specific recurring items recorded during the first quarter of 2015, adjusted net earnings amounted to $10.0 million or $0.21 per share (basic).

Review of Operating Segments

Wind

The wind power segment, Boralex's main driver of growth, reported increases in production, revenues and EBITDA for the first quarter of fiscal 2015 of 45.7%, 37.8% and 38.4%, respectively, without factoring in the contribution of the Joint Ventures. The solid overall performance of the wind power segment is fuelled by the recent expansion in Boralex's asset base in France and Québec, which added approximately 255 MW to its operating base between March 31, 2014 and 2015.

The main differences in revenues from energy sales and EBITDA are as follows:

	Revenues from energy sales		EBITDA	
	(in thousands of $)	%	(in thousands of $)	%
THREE-MONTH PERIOD ENDED MARCH 31, 2014	35,356		32,211	
Power station commissioned*	5,577	15.8%	4,941	15.3%
BEV operations**	14,786	41.8%	9,510	29.5%
Pricing	116	0.3%	116	0.4%
Volume	(5,360)	(15.1)%	(5,360)	(16.6)%
Foreign exchange effect	(1,751)	(5.0)%	(1,433)	(4.5)%
Maintenance	—	—	(238)	(0.7)%
Share of Joint Ventures	—	—	4,493	13.9%
Other	(12)	—	346	1.1%
Change	13,356	37.8%	12,375	38.4%
THREE-MONTH PERIOD ENDED MARCH 31, 2015	48,712		44,586	

* Commissioning of the Fortel-Bonnières wind power facility in France in October and November 2014, the Témiscouata I wind power facility in Canada in December 2014 and a portion of the St-François wind power facility in March 2015.

** Acquisition of 12 wind farms in operation in France on December 18, 2014, with capacity of 186 MW.

Operating Results

Production

For the three-month period ended March 31, 2015, the wind power segment produced 385,895 MWh compared with 264,859 MWh for the same quarter of 2014 (excluding the contribution from Joint Ventures Phases I and II, the impact of which is discussed in the *Proportionate Consolidation* section of this MD&A). This increase stemmed largely from the acquisition of 12 BEV sites in operation in France, as well as the commissioning of the Témiscouata I wind power facility in Canada in December 2014, the Fortel-Bonnières wind power facility in France in October and November 2014 and half of the facilities of the St-François site in France in March 2015. However, the production of existing sites declined 15.5% owing to less favourable wind conditions than in the previous year in France and in Ontario.

Broken down geographically, production from Boralex's wind power asset base in France grew 57.3% through the addition of 14 new sites as discussed previously. Excluding these new facilities, the production of existing sites declined 15.4%, which was due primarily to weather related factors since a high rate of equipment availability was maintained. Wind power production in Canada rose 18.8% with the commissioning of Témiscouata I in Québec, the performance of which has exceeded the Corporation's expectations. Excluding this new site, less favourable wind conditions than in 2014 in Ontario led to a 15.8% decline in production at existing Thames River facilities, despite maintaining excellent equipment availability.

Revenues

Excluding Joint Ventures Phases I and II, wind power segment revenues for the first quarter of 2015 totalled $48.7 million, up $13.4 million or 37.8% from the same period of 2014. As shown in the table, revenue growth was fuelled largely by an additional $20.4 million contribution in total from the 15 newly acquired and commissioned sites, 14 of which are in France. On the downside, the decline in production volume at existing sites resulted in a shortfall of $5.4 million while the weakening of the euro against the Canadian dollar had an unfavourable effect of $1.8 million on revenues compared with the previous year.

Broken down geographically, excluding the foreign exchange effect, revenues in euros at French power stations were up 59.1% while revenues at the Canadian sites grew 16.0% (excluding the Joint Ventures), driven by the contribution from new sites in both countries.

EBITDA

The wind power segment reported EBITDA of $44.6 million for the quarter, up $12.4 million or 38.4% from 2014, the result of Boralex's expansion and value creation strategy based on adding high quality assets covered by long-term contracts (note also that this growth does not fully represent the contribution of Joint Ventures Phases I and II, the actual impact of which is discussed in the *Proportionate Consolidation* section of this MD&A).

More specifically, growth in wind power segment EBITDA was driven by the following main items:

- A $9.5 million contribution from BEV's 12 sites in operation;
- A $4.9 million contribution from the three sites commissioned in the fourth quarter of 2014 and the first quarter of 2015;
- A $4.5 million increase in Boralex's share of the results of Joint Ventures;
- A $0.1 million favourable price effect; and
- A $0.3 million increase in development and prospecting costs reported in *Other*.

On the downside, growth in quarterly EBITDA was reined in by a combination of unfavourable items totalling $7.0 million, mainly a $5.4 million volume effect and a $1.4 million foreign exchange effect.

Broken down geographically, EBITDA of the French operations was up 40.3% in euros, that is, excluding the unfavourable foreign exchange effect, owing to the addition of 14 new sites. In Canada, EBITDA was up 47.9% due, largely, to the increase in Boralex's share in the results of the Joint Ventures, and the commissioning of Témiscouata I.

Wind power segment EBITDA margin stood at 91.5% in 2015, in line with the 2014 result of 91.1%.

Note also that the *Share in earnings of the Joint Ventures* includes items not related to the EBITDA of Joint Ventures Phases I and II, which totalled $9.9 million for the first quarter of 2015 (see the *Proportionate Consolidation* section of this MD&A).

Hydroelectric

The hydroelectric power segment, Boralex's second largest segment, generated $9.2 million in EBITDA for the first quarter of 2015, even though performance was affected by particularly unfavourable water flow conditions in Northeastern United States and to a lesser extent by weak market prices for electricity sold by U.S. power stations not benefiting from long-term indexed, fixed-price energy sales contracts.

The main differences in revenues from energy sales and EBITDA are as follows:

	Revenues from energy sales		EBITDA	
	(in thousands of $)	%	(in thousands of $)	%
THREE-MONTH PERIOD ENDED MARCH 31, 2014	13,996		10,167	
Power station commissioned*	428	3.1%	29	0.3%
Pricing	(1,422)	(10.2)%	(1,422)	(14.0)%
Volume	(1,584)	(11.3)%	(1,584)	(15.5)%
Foreign exchange effect	1,079	7.7%	818	8.1%
Maintenance	—	—	340	3.3%
Other	87	0.6%	899	8.8%
Change	(1,412)	(10.1)%	(920)	(9.0)%
THREE-MONTH PERIOD ENDED MARCH 31, 2015	12,584		9,247	

* Commissioning of the Jamie Creek hydroelectric power station in Canada in May 2014.

The following table shows recent and historical statistical data concerning hydroelectric power segment production:

HYDROELECTRIC PRODUCTION (MWh)	**2015**	**2014**
Three-month periods ended March 31:		
Actual	113,587	123,587
Historical average [(1)]	155,450	155,710
Annual historical average [(1)]	682,330	623,292

[(1)] Historical averages are calculated using all production data available for each power station up to the end of Boralex's previous fiscal year. As historical data were unavailable for the Jamie Creek power station, estimated long term production data were used to calculate the historical averages.

Operating Results

Production

Hydroelectric power segment production totalled 113,587 MWh for the first quarter of fiscal 2015, down 8.1% from 123,587 MWh in 2014. Excluding the addition of the Jamie Creek power station in Canada, production of the existing power stations declined 9.9% from the 2014 level and was 27.7% below the historical average.

These declines are attributable to the U.S. power stations which reported a 17.6% drop in production owing primarily to extreme weather conditions in the 2014-2015 winter, particularly ice drifts, combined with some equipment failures. Production at these power stations fell short of their historical average by 37.5%. The Canadian power stations (excluding Jamie Creek) were less affected by the harsh winter and their production rose 6.2% from the 2014 level, although 3.2% below their historical average.

Revenues

The hydrolectric power segment reported revenues of $12.6 million for the first quarter of 2015, down $1.4 million or 10.1% from $14.0 million for the first quarter of 2014. As shown in the table, this decline resulted from a $1.6 million unfavourable volume effect coupled with a $1.4 million unfavourable price effect. U.S. power stations were largely responsible for the decline as they were adversely affected by lower production and by the decline, compared with the same period in 2014, in average selling prices of electricity sold in the New York State market by the five power stations without energy sales contracts. However, these adverse factors were mitigated by the $1.1 million favourable foreign exchange effect stemming from the weakening of the Canadian dollar against the U.S. currency. Furthermore, lower revenues at U.S. power stations were partly offset by the solid performance of Canadian power stations, whose revenues grew 15.7% fuelled by the addition of the Jamie Creek power station, a favourable volume effect, indexing of their selling price and higher capacity premiums.

EBITDA

Hydroelectric power segment EBITDA declined $0.9 million or 9.0% due to the same factors that affected its revenues, namely a $1.6 million volume effect and a $1.4 million price effect. These adverse factors were largely offset by the favourable foreign exchange effect of $0.8 million, a $0.3 million decrease in maintenance costs for all the power stations and various favourable items totalling $0.9 million. Moreover, subsequent to a settlement entered into at the end of February 2015, in relation to a lawsuit filed on December 20, 1996 against one of the Corporation's subsidiaries for charges claimed under Section 68 of the *Watercourses Act*, it was agreed that the net amount payable would be approximately $1.0 million instead of the $1.4 million provisioned; the favourable net impact of $0.4 million was recognized in the first quarter of 2015. The other items relate to decreases in certain costs and higher capacity premiums for Canadian power stations.

Broken down geographically, the combined EBITDA of U.S. power stations declined 37.2% in U.S. dollars while EBITDA of Canadian power station rose 33.7%.

Thermal

In light of the thermal power stations' operating patterns, as discussed in the *Seasonal Factors* section of this MD&A, the Senneterre power station in Québec and the Blendecques power station in France were fully operational during the two comparative periods of 2015 and 2014. Despite reporting a decline in their results, the two power stations maintained their positive contributions to Boralex's profitability.

The main differences in revenues from energy sales and EBITDA are as follows:

	Revenues from energy sales		EBITDA	
	(in thousands of $)	%	(in thousands of $)	%
THREE-MONTH PERIOD ENDED MARCH 31, 2014	12,976		4,572	
Pricing	(574)	(4.4)%	(574)	(12.5)%
Volume	(379)	(2.9)%	508	11.1%
Capacity premiums	(761)	(5.9)%	(761)	(16.6)%
Foreign exchange effect	(525)	(4.1)%	(76)	(1.7)%
Raw material costs	—	—	372	8.1%
Maintenance	—	—	264	5.8%
Other	(1)	—	220	4.8 %
Change	(2,240)	(17.3)%	(47)	(1.0)%
THREE-MONTH PERIOD ENDED MARCH 31, 2015	10,736		4,525	

Operating Results

Production

Boralex's thermal power segment produced 59,155 MWh of electricity in the first quarter of 2015, down 16.8% from 71,116 MWh in 2014, for both power stations. The Senneterre facility's production declined 14.0% owing to equipment failures and the high humidity level in wood bark used. Electricity production at the Blendecques power station decreased 24.1% due to a week-long shutdown of the gas turbine, which was however offset by a 21.1% increase in steam production.

Revenues

Thermal power segment revenues totalled $10.7 million, down $2.2 million or 17.3% from $13.0 million last year. Apart from the unfavourable volume effect of $0.4 million, mostly attributable to the Senneterre power station, the previously mentioned production decline also led to a $0.8 million decrease in capacity premiums awarded to the two power stations. In addition, thermal power segment revenues were affected by a $0.6 million unfavourable price effect resulting mainly from lower prices for steam produced by the Blendecques power station. This is because steam prices in this market are correlated to natural gas prices, which declined from their 2014 level. It is important to note that this decline in the price of natural gas directly impacted the decrease in raw material costs. Last, revenues of the French power station, converted into Canadian dollars, were affected by a $0.5 million unfavourable foreign exchange effect resulting from the weakening of the euro.

EBITDA

For the first quarter of 2015, the thermal power segment EBITDA totalled $4.5 million, down $0.1 million or 1.0% from $4.6 million in 2014, for both power stations. The Senneterre power station's EBITDA was mostly affected by decreases in its production volume and capacity premiums, which were however partly offset by lower maintenance and other costs compared with 2014. Apart from the unfavourable foreign exchange effect, the Blendecques power station's profitability was particularly hurt by the lower average steam selling price and the decline in capacity premiums. These items were largely offset by a favourable volume effect and savings of $0.4 million on purchases of natural gas, the power station's raw material.

Solar

Boralex's first solar power station, located in Southwestern France, continues to meet management expectations in terms of productivity and profitability, since its commissioning in June 2011. While the facility's contribution to the Corporation's consolidated results is marginal, Boralex's management believes that its strong performance reflects the intrinsic quality of this first solar project with regard to choice of technology, location and contractual benefits, as well as the growing expertise of the Boralex team.

The main differences in revenues from energy sales and EBITDA are as follows:

	Revenues from energy sales		EBITDA	
	(in thousands of $)	%	(in thousands of $)	%
THREE-MONTH PERIOD ENDED MARCH 31, 2014	602		491	
Pricing	1	0.2%	1	0.2%
Volume	(66)	(11.0)%	(66)	(13.4)%
Foreign exchange effect	(52)	(8.6)%	(44)	(9.0)%
Other	—	—	22	4.5%
Change	(117)	(19.4)%	(87)	(17.7)%
THREE-MONTH PERIOD ENDED MARCH 31, 2015	485		404	

Operating Results

The solar power station generated 1,038 MWh for the quarter ended March 31, 2015, down from 1,185 MWh in the previous year, owing primarily to a lower rate of irradiation. This factor, combined with a slightly unfavourable foreign exchange effect stemming from the weakening of the euro, resulted in a $0.1 million decline in revenues to $0.5 million. For the same reasons, the solar power station EBITDA decreased a slight $0.1 million to $0.4 million, despite a reduction in certain expenses, including maintenance costs. As a result, the EBITDA margin improved to 83.3% for the first quarter of 2015 from 81.6% for the same quarter of 2014.

A gradual decline in solar equipment productivity is to be expected as this is a normal phenomenon in the life cycle of this type of production facility.

Cash Flows

Cash flows for the three-month period ended March 31, 2015 reflect net proceeds of $118.4 million from Boralex's share issuances completed in January 2015, which were mainly used to repay the $100 million bridge facility contracted in December 2014 at the time of the BEV acquisition. In line with the trend in recent years, cash flows for the period were driven by Boralex's solid capacity to generate cash flows from operations, owing to its tight focus on operations covered by indexed, fixed-price energy sales contracts and superior profit margins. In this respect, the cash flows demonstrate Boralex's intention to support shareholder value creation by paying dividends totalling $6.2 million in the first quarter. In addition, this cash flow position allows the Corporation to continue developing opportunities and optimizing its energy asset base in which further investments of over $50 million have been made since the beginning of 2015, including the acquisition of fixed assets and businesses, ongoing work on development projects and other investments.

	Three-month periods ended March 31	
(in thousands of dollars)	2015	2014
Cash flows from operations	40,201	29,326
Change in non-cash items related to operating activities	8,866	4,442
Net cash flows related to operating activities	49,067	33,768
Net cash flows related to investing activities	(47,527)	(10,618)
Net cash flows related to financing activities	1,831	(14,611)
Cash from discontinued operations	—	1,215
Translation adjustment on cash and cash equivalents	670	2,135
NET CHANGE IN CASH AND CASH EQUIVALENTS	4,041	11,889
CASH AND CASH EQUIVALENTS - END OF PERIOD	79,435	136,831

Operating Activities

Boralex reported $40.2 million or $0.84 per share (basic) in cash flows from operations for the three-month period ended March 31, 2015 compared with $29.3 million or $0.77 per share for the same period in 2014. Excluding non-cash items from net earnings for both periods, the $10.9 million increase in cash flows from operations resulted primarily from the previously discussed increase in EBITDA and the first distribution of funds from Joint Venture Phase I in the amount of $9.6 million. These items more than offset the increase in payments related to financing costs.

The change in non-cash items related to operating activities generated cash of $8.9 million (compared with $4.4 million in 2014). For the first quarter of 2015, cash flows were generated primarily by the $10.9 million decrease in *Trade and other receivables* resulting from the seasonal nature of operations and the timing of receipts.

In light of the foregoing, operating activities generated cash flows totalling $49.1 million for the first quarter of 2015, up $15.3 million from $33.8 million in the previous year.

Investing Activities

Investing activities during the quarter ended March 31, 2015 resulted in cash outflows of $47.5 million, net of $2.9 million in restricted cash drawdowns.

The main investments for the period were as follows:

- $31.3 million for additions to property, plant and equipment, including $30.0 million for the wind power segment (excluding Boralex's share of investments allocated to the Joint Ventures). Of this amount, $22.3 million were invested in France (mainly for the development of the Comes de l'Arce, St-François and Calmont sites) and $7.7 million in Québec (primarily for the Côte-de-Beaupré, Témiscouata I and Témiscouata II projects). The other assets purchased during the first quarter were used for the maintenance of existing equipment of the hydroelectric, thermal and corporate segments;
- $16.1 million to acquire the Frampton project in Québec and the Touvent project in France;
- $1.2 million for development projects, particularly the Yellow Falls hydroelectric power station; and
- $1.7 million for other investing activities.

Financing Activities

Financing activities for the first quarter of fiscal 2015 generated total net cash inflows of $1.8 million.

New financing arrangements and repayments on existing debt

On January 12, 2015, Boralex received gross proceeds of $110 million from the offering of 8,430,000 common shares of Boralex through an underwriting agreement at a price of $13.05 per share. On January 30, 2015, the syndicate of underwriters purchased an additional 1,075,000 shares at a price of $13.05 per share for gross proceeds of $14.0 million by exercising 85% of its over-allotment option. These share issuances generated total gross proceeds of $124.0 million and net proceeds of $118.4 million (net of issuance costs paid). As planned, the net issuance proceeds were mostly used to repay the $100 million bridge facility contracted in December 2014 at the time of the BEV acquisition.

Also, non-current debt rose $14.7 million during the first quarter, primarily in connection with the development of the St-François site in France and the Témiscouata I and II sites in Québec. During the same period, in addition to the previously mentioned $100 million bridge facility, the Corporation repaid current and non-current debt in the amount of $27.1 million.

Dividends and Other

During the first quarter of 2015, the Corporation disbursed an amount of $6.2 million to pay a quarterly dividend of $0.13 per share to its shareholders. Boralex also received $2.1 million in the form of a capital injection by La Côte-de-Beaupré RCM, its partner in a wind power project currently under development in Québec.

Discontinued operations

For the three-month period ended March 31, 2015, the Corporation did not record any cash flows from discontinued operations compared with cash inflows of $1.2 million in 2014, primarily from the sale of RECs at the Corporation's former U.S. wood-residue power stations. Note that this source of revenues ended in December 2014 under the agreement entered into at the time of the sale of power stations at the end of 2011.

Net Change in Cash and Cash Equivalents

Total cash movements for the first three months of fiscal 2015 resulted in a $4.0 million increase in cash and cash equivalents to $79.4 million as at March 31, 2015 from $75.4 million as at December 31, 2014.

Financial Position

The changes in Boralex's statement of financial position between December 31, 2014 and March 31, 2015 mainly relate to non-current debt and equity. Apart from ongoing investments in Boralex's development projects, these changes resulted essentially from the issuance of shares in January 2015 (the net proceeds of which were mainly used to repay part of the debt contracted in connection with the BEV acquisition, as discussed in the previous section) and the impact of the repurchase of Cube's interest in Boralex's European subsidiary.

The following table shows condensed information from the Consolidated Statements of Financial Position:

(in thousands of dollars)	As at March 31, 2015	As at December 31, 2014
ASSETS		
Cash and cash equivalents	79,435	75,394
Restricted cash	7,731	12,459
Miscellaneous current assets	64,862	71,345
CURRENT ASSETS	152,028	159,198
Property, plant and equipment	1,215,353	1,215,411
Intangible assets	255,056	254,007
Goodwill	148,381	134,044
Miscellaneous non-current assets	154,936	155,299
NON-CURRENT ASSETS	1,773,726	1,758,761
TOTAL ASSETS	1,925,754	1,917,959
LIABILITIES		
CURRENT LIABILITIES	203,974	265,377
Non-current debt	1,012,072	989,087
Miscellaneous non-current liabilities	331,716	327,176
NON-CURRENT LIABILITIES	1,343,788	1,316,263
TOTAL LIABILITIES	1,547,762	1,581,640
EQUITY		
TOTAL EQUITY	377,992	336,319
TOTAL LIABILITIES AND EQUITY	1,925,754	1,917,959

Repurchase of European Partner Cube's Interest

On February 27, 2015, Boralex announced the closing of a financial settlement whereby Cube Energy SCA ("Cube") agreed to exchange its entire 25.33% equity interest in Boralex Europe S.A. for term loans. Under the settlement, in consideration, Cube will receive a payment of €16 million, payable by the end of 2015, and the shares held by Cube will be exchanged for two term loans totalling €40 million issued by two European subsidiaries of the Corporation and bearing interest at a fixed rate of 6.5%, with no repayments prior to maturity in January 2019.

The impact of this agreement on Boralex's financial position can be summarized as follows:

- Under liabilities, inclusion of an amount of €56 million ($76.2 million) in *Non-current debt* and *Current portion of debt*; and
- Under equity, a $25.3 million decrease in *Non-controlling shareholders*, reflecting the carrying amount of Cube's interest repurchased by Boralex and a $51.6 million decrease in *Retained earnings (loss)*, reflecting the difference between the price paid for Cube's interest and its carrying amount.

Assets

Boralex's total assets as at March 31, 2015 increased slightly to $1,925.8 million from $1,918.0 million as at December 31, 2014.

Total *Current assets* fell $7.2 million due to the aforementioned $10.9 million decrease in *Trade and other receivables*. Conversely, cash and cash equivalents were up $4.0 million, as discussed in the previous section.

Note that *Non-current assets* rose $15.0 million primarily as a result of a $14.3 million increase in goodwill owing to the acquisition of the Frampton, Québec and Touvent, France wind power projects, combined with increases of a lesser extent in various other non-current assets. In contrast, the $12.1 million decrease of Boralex's share in the Joint Ventures was primarily due to the $9.6 million distribution received from Joint Venture Phase I during the period.

As at March 31, 2015, the Corporation had a working capital deficit of $51.9 million with a ratio of 0.75:1 compared with a working capital deficit of $106.2 million and a ratio of 0.60:1 as at December 31, 2014. The deficit as at March 31, 2015 resulted in large part from a net amount of $36.4 million in *Other current financial assets and liabilities* consisting primarily of the fair value of financial instruments, which had no impact on the Corporation's current liquidity. Excluding those items, the working capital ratio as at March 31, 2015 stood at 0.90:1.

Total Debt and Equity

The Corporation's total debt as at March 31, 2015, consisting of *Non-current debt*, including the current portion of non-current debt and the liability component of *Convertible debentures*, amounted to $1,350.6 million compared with $1,394.1 million as at December 31, 2014. The impact of repaying the $100 million bridge facility out of the proceeds from the January 2015 share issuances was partially offset by the new debt contracted in conjunction with the repurchase of Cube's interest and the Corporation's various development projects. Breaking down the Corporation's non-current debt geographically as at March 31, 2015, 35% originates in Canada, 57% in France and 8% in the United States, compared with 42%, 50% and 8%, respectively, as at December 31, 2014 (excluding the bridge facility).

In addition, Boralex had $178.3 million in debt contracted but not yet drawn as at March 31, 2015 for projects under construction.

Net debt, as defined under *Non-IFRS Measures*, amounted to $1,050.9 million as at March 31, 2015 compared with $995.0 million as at December 31, 2014. Excluding non-current debt drawn down for projects under construction, net debt stood at $1,042.0 million as at March 31, 2015, compared with $956.3 million as at December 31, 2014.

Total equity rose $41.7 million during the first quarter of fiscal 2015 to $378.0 million as at March 31, 2015 from $336.3 million as at December 31, 2014. Net proceeds from the January 2015 share issuances resulted, in particular, in a $119.6 million increase in value of the Corporation's share capital. Conversely, despite net earnings for the period, retained earnings were down $51.2 million owing primarily to the buyback of Cube's interest in our European subsidiary and, to a lesser extent, to dividend payouts.

As a result of the changes described above, the net debt ratio, as defined under *Non-IFRS Measures*, rose to 63.4% as at March 31, 2015 from 59.9% as at December 31, 2014. Excluding non-current debt drawn down for projects under construction, the net debt ratio increased to 63.2% as at March 31, 2015 from 58.9% as at December 31, 2014.

Information About the Corporation's Equity Securities

As at March 31, 2015, Boralex's capital stock consisted of 47,941,925 Class A shares issued and outstanding (38,424,430 as at December 31, 2014) owing to the following share issues:

- 9,505,000 new shares issued in connection with a public offering conducted in January in parallel with the BEV acquisition, as previously discussed;
- 1,188 shares issued in the first quarter of fiscal 2015 on conversion of 143 debentures; and
- 11,307 shares issued on exercise of stock options held by senior executives.

There were 1,542,317 outstanding stock options as at March 31, 2015, of which 1,144,789 were exercisable.

As at March 31, 2015, Boralex had 2,443,224 issued and outstanding convertible debentures (2,443,367 as at December 31, 2014). Since their issuance in 2010, a cumulative amount of 8,276 debentures have been converted into 66,946 shares.

From April 1 to May 5, 2015, no new shares were issued on exercise of stock options and 5813 new shares were issued in connection with the conversion of 692 debentures.

Related Party Transactions

The Corporation has entered into a management agreement with R.S.P. Hydro Inc., an entity in which Richard and Patrick Lemaire, directors of the Corporation, are two of three shareholders. For the three-month period ended March 31, 2015, revenues from this agreement totalled $0.2 million ($0.1 million for the corresponding period of 2014).

The Corporation has entered into a four-year consulting agreement with Bernard Lemaire, a director of Cascades, an entity exercising significant influence over the Corporation. The agreement for an amount of $0.1 million per year began in May 2013.

Cascades provides the Corporation with various IT, engineering, transportation, maintenance and building repair services. For the three-month period ended March 31, 2015, these services totalled $0.1 million ($0.2 million for the corresponding period of 2014).

Transactions with the Joint Ventures

Joint Venture Phase I

For the three-month period ended March 31, 2015, Joint Venture Phase I reported $11.3 million in net earnings ($3.9 million for the same period of 2014), with Boralex's share amounting to $5.6 million ($2.0 million for the same period of 2014). Amortization of the unrealized loss on financial instruments generated an expense of $0.7 million ($0.7 million in the same period of 2014). Accordingly, for the first quarter of fiscal 2015, the Corporation's *Share in earnings of the Joint Ventures* consisted of $5,0 million in earnings ($1.3 million in earnings in 2014).

For the three-month period ended March 31, 2015, Boralex also charged back $0.2 million in salaries, management fees and other costs to this joint venture in connection with operation of the wind farm ($0.4 million for the same period of 2014).

Joint Venture Phase II

During the first quarter ended March 31, 2015, Joint Venture Phase II reported $1.7 million in net earnings (compared with an insignificant loss for the same period of 2014). Boralex charged back $0.2 million in salaries and management fees to this joint venture in connection with the operation of the wind farm ($0.2 million for the same period of 2014).

Interests in the Joint Ventures

In June 2011 and May 2013, Boralex and its equal partner in the development of the first two 272 MW and 68 MW phases of the Seigneurie de Beaupré Wind Farms in Québec, created Joint Ventures Phases I and II in which each partner has a 50% interest. Under IFRS, the Corporation's investment in Joint Ventures Phases I and II is reported under *Interests in the Joint Ventures* in the Consolidated Statement of Financial Position and the Corporation's share in results of Joint Ventures Phases I and II is accounted for using the equity method and reported separately under *Share in earnings of the Joint Ventures* in Boralex's Consolidated Statement of Earnings.

Given the strategic nature and scale of these assets and the significant results that these wind farms generate, Boralex's management has considered it relevant to include a section, *Proportionate Consolidation*, in this MD&A, where the results of Joint Ventures Phases I and II are proportionately consolidated. This section is added to make it easier for investors to understand the concrete impacts of strategic and operating decisions made by the Corporation.

The acquisition of 50% of the shares of a Danish developer completed in July 2014 by Boralex also represents an interest in a joint venture. Currently, the development project is reported in the Consolidated Statement of Financial Position under *Interests in the Joint Ventures* (IFRS) and under *Other non-current assets* (proportionate consolidation). Upon completion, the project will be included in the proportionate consolidation section if the holding percentage stays the same.

These amounts are clearly identified as "proportionate consolidation" and are reconciled in the *Non-IFRS Measures* and *Reconciliations between IFRS and Proportionate Consolidation* sections.

Seasonal Factors

(in thousands of dollars, except MWh, per share amounts and number of shares outstanding)	Three-month periods ended June 30, 2014	September 30, 2014	December 31, 2014	March 31, 2015	Twelve-month period ended March 31, 2015
POWER PRODUCTION (MWh)					
Wind power stations	255,728	203,769	370,742	559,760	1,389,999
Hydroelectric power stations	223,702	139,938	154,752	113,587	631,979
Thermal power stations	18,521	45,909	34,092	59,155	157,677
Solar power station	2,042	1,952	1,080	1,038	6,112
	499,993	391,568	560,666	733,540	2,185,767
REVENUES FROM ENERGY SALES					
Wind power stations	31,264	24,042	44,913	67,369	167,588
Hydroelectric power stations	17,622	12,236	14,312	12,584	56,754
Thermal power stations	3,885	5,660	7,569	10,736	27,850
Solar power station	1,021	945	514	485	2,965
	53,792	42,883	67,308	91,174	255,157
EBITDA					
Wind power stations	24,626	17,466	36,846	54,494	133,432
Hydroelectric power stations	14,002	8,816	9,730	9,247	41,795
Thermal power stations	(1,101)	588	1,188	4,525	5,200
Solar power station	902	850	391	404	2,547
	38,429	27,720	48,155	68,670	182,974
Corporate and eliminations	(6,252)	(4,439)	(8,731)	(6,355)	(25,777)
	32,177	23,281	39,424	62,315	157,197
NET EARNINGS (LOSS) ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX					
Continuing operations	(5,069)	(9,551)	(7,011)	6,606	(15,025)
Discontinued operations	785	312	716	—	1,813
	(4,284)	(9,239)	(6,295)	6,606	(13,212)
NET EARNINGS (LOSS) PER SHARE - BASIC AND DILUTED ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX					
Continuing operations	($0.13)	($0.25)	($0.18)	$0.14	($0.37)
Discontinued operations	$0.02	$0.01	$0.02	—	$0.05
	($0.11)	($0.24)	($0.16)	$0.14	($0.32)
CASH FLOWS FROM OPERATIONS					
In dollars	12,200	7,577	22,008	42,753	84,538
Per share (basic)	$0.32	$0.20	$0.57	$0.90	$2.08
Weighted average number of shares outstanding (basic)	38,346,572	38,390,851	38,411,980	47,759,276	40,695,160

(in thousands of dollars, except MWh, per share amounts and number of shares outstanding)	Three-month periods ended June 30, 2013	September 30, 2013	December 31, 2013	March 31, 2014	Twelve-month period ended March 31, 2014
POWER PRODUCTION (MWh)					
Wind power stations	166,992	96,921	249,276	381,389	894,578
Hydroelectric power stations	197,923	131,786	142,912	123,587	596,208
Thermal power stations	7,191	33,851	31,448	71,116	143,606
Solar power station	1,788	2,098	980	1,185	6,051
	373,894	264,656	424,616	577,277	1,640,443
REVENUES FROM ENERGY SALES					
Wind power stations	20,384	11,822	31,676	47,948	111,830
Hydroelectric power stations	15,691	11,206	12,746	13,996	53,639
Thermal power stations	3,268	4,657	6,976	12,976	27,877
Solar power station	798	966	469	602	2,835
	40,141	28,651	51,867	75,522	196,181
EBITDA					
Wind power stations	16,439	7,347	26,136	41,161	91,083
Hydroelectric power stations	12,532	7,595	9,002	10,167	39,296
Thermal power stations	(1,070)	(614)	26	4,572	2,914
Solar power station	706	853	438	491	2,488
	28,607	15,181	35,602	56,391	135,781
Corporate and eliminations	(4,642)	(2,001)	(4,226)	(4,634)	(15,503)
	23,965	13,180	31,376	51,757	120,278
NET EARNINGS (LOSS) ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX					
Continuing operations	(1,783)	(8,489)	394	7,048	(2,830)
Discontinued operations	622	917	74	839	2,452
	(1,161)	(7,572)	468	7,887	(378)
NET EARNINGS (LOSS) PER SHARE - BASIC ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX					
Continuing operations	($0.05)	($0.22)	$0.01	$0.19	($0.07)
Discontinued operations	$0.02	$0.02	—	$0.02	$0.06
	($0.03)	($0.20)	$0.01	$0.21	($0.01)
NET EARNINGS (LOSS) PER SHARE - DILUTED ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX					
Continuing operations	($0.05)	($0.22)	$0.01	$0.17	($0.09)
Discontinued operations	$0.02	$0.02	—	$0.02	$0.06
	($0.03)	($0.20)	$0.01	$0.19	($0.03)
CASH FLOWS FROM OPERATIONS					
In dollars	17,624	(5,333)	16,086	36,568	64,945
Per share (basic)	$0.47	($0.14)	$0.43	$0.96	$1.72
Weighted average number of shares outstanding (basic)	37,740,004	37,748,196	37,757,835	37,980,635	37,805,897

Financial Highlights

(in thousands of dollars, except MWh, per share amounts and number of shares outstanding)	Three-month periods ended March 31 2015	2014
POWER PRODUCTION (MWh)		
Wind power stations	559,760	381,389
Hydroelectric power stations	113,587	123,587
Thermal power stations	59,155	71,116
Solar power station	1,038	1,185
	733,540	577,277
REVENUES FROM ENERGY SALES		
Wind power stations	67,369	47,948
Hydroelectric power stations	12,584	13,996
Thermal power stations	10,736	12,976
Solar power station	485	602
	91,174	75,522
EBITDA		
Wind power stations	54,494	41,161
Hydroelectric power stations	9,247	10,167
Thermal power stations	4,525	4,572
Solar power station	404	491
	68,670	56,391
Corporate and eliminations	(6,355)	(4,634)
	62,315	51,757
NET EARNINGS ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX		
Continuing operations	6,606	7,048
Discontinued operations	—	839
	6,606	7,887
NET EARNINGS PER SHARE (BASIC) ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX		
Continuing operations	$0.14	$0.19
Discontinued operations	—	$0.02
	$0.14	$0.21
NET EARNINGS PER SHARE (DILUTED) ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX		
Continuing operations	$0.14	$0.17
Discontinued operations	—	$0.02
	$0.14	$0.19
CASH FLOWS FROM OPERATIONS		
In dollars	42,753	36,568
Per share (basic)	$0.90	$0.96
Weighted average number of shares outstanding (basic)	47,759,276	37,980,635

Statement of Financial Position Data

(in thousands of dollars)	As at March 31, 2015	As at December 31, 2014
Total assets	2,301,997	2,288,750
Debt*	1,432,587	1,477,020
Convertible debentures	233,898	232,977
Total liabilities	1,924,522	1,952,948
Total equity	377,475	335,802

* Including non-current debt and current portion of debt.

Analysis of Operating Results for the Three-Month Period Ended March 31, 2015

Consolidated

The proportionate consolidation of the results of Joint Ventures Phases I and II for the first quarter of fiscal 2015 mainly affected Boralex's production volume, revenues, EBITDA and cash flows from operations, and had no effect on net earnings and net earnings per share compared with the IFRS equity method.

In the table below, which shows the major changes in revenues from energy sales and adjusted EBITDA for the three-month period ended March 31, 2015, proportionate consolidation primarily affected the *Power Stations Commissioned* and *Volume* items.

	Revenues from energy sales		EBITDA	
	(in thousands of $)	%	(in thousands of $)	%
THREE-MONTH PERIOD ENDED MARCH 31, 2014	75,522		51,757	
Power stations commissioned*	9,404	12.4%	7,950	15.4%
BEV operations**	14,786	19.6%	9,496	18.3%
Pricing	(1,830)	(2.4)%	(1,830)	(3.5)%
Volume	(4,772)	(6.3)%	(3,885)	(7.5)%
Capacity premiums	(673)	(0.9)%	(673)	(1.3)%
Foreign exchange effect	(1,249)	(1.7)%	(674)	(1.3)%
Raw material costs	—	—	372	0.7%
Maintenance	—	—	188	0.4%
Development - prospecting	—	—	(601)	(1.2)%
Other	(14)	—	215	0.4%
Change	15,652	20.7%	10,558	20.4%
THREE-MONTH PERIOD ENDED MARCH 31, 2015	91,174		62,315	
Acquisition costs	—		488	0.9%
THREE-MONTH PERIOD ENDED MARCH 31, 2015 - ADJUSTED	91,174		62,803	

* Commissioning of the Jamie Creek hydroelectric power station in Canada in May 2014, Fortel-Bonnières wind power facility in France in October and November 2014, Joint Venture Phase II and Témiscouata I wind power facility in Canada in December 2014 and a portion of the St-François wind power facility in France in March 2015.

** Acquisition of 12 wind farms in operation in France on December 18, 2014, with capacity of 186 MW.

The favourable difference from proportionately consolidating the results of the Joint Ventures was twofold: a significantly higher production from Joint Venture Phase I, in operation since the end of 2013, and the new contribution from Joint Venture Phase II, commissioned in early December 2014.

Production

For the first quarter of 2015, Boralex's 50% share in the production of Joint Ventures Phases I and II amounted to 173,865 MWh, compared with its share in the production of Joint Venture Phase I of 116,530 MWh in the first quarter of 2014. As a result, in addition to the additional contribution from Phase II, Phase I recorded 20.7% in organic production growth, thereby confirming the exceptional quality of the Seigneurie de Beaupré facilities and the expertise of the Boralex teams in charge of operating this large-scale site.

For the first quarter of 2015, proportionate consolidation of the production of Joint Ventures resulted in an additional contribution of 31.1% compared with the total production of Boralex based on the IFRS equity method. Including its share in the Joint Ventures, the Corporation's total production for the first quarter of 2015 increased 27.1% compared with the same quarter of 2014 (compared with 21.5% growth under IFRS).

Revenues

Boralex's share in the revenues of Joint Ventures increased to $18.7 million for the first quarter of 2015 from $12.6 million for the same period of 2014. Apart from the additional revenues generated by the commissioning of Joint Venture Phase II, this increase was driven by a favourable volume effect of nearly $2.7 million attributable to Joint Venture Phase I.

The proportionate consolidation of the results of Joint Ventures represents a 25.7% increase in Boralex's quarterly revenues compared with IFRS. Including its share of the Joint Ventures, the Corporation's total revenues for the first quarter of 2015 climbed 20.7% from the same quarter of 2014 (compared with 15.2% growth under IFRS).

EBITDA

(in thousands of dollars)	Three-month periods ended March 31 2015	2014
Adjusted EBITDA (IFRS)	52,242	42,205
Less: Share in earnings of Joint Ventures Phases I and II	5,862	1,355
Plus: EBITDA of Joint Ventures Phases I and II	16,423	10,971
Other	—	(64)
Adjusted EBITDA (Proportionate Consolidation)	62,803	51,757

In the first quarter of 2015, Boralex's share in the EBITDA of the Joint Ventures amounted to $16.4 million, up $5.5 million from $11.0 million in the same period of 2014, due both to the commissioning of Joint Venture Phase II and to the increase in productivity of Joint Venture Phase I. As shown in the table above, proportionate consolidation had a net favourable impact of $10.6 million or 20.4% on consolidated EBITDA in the first quarter of 2015, compared with IFRS. This impact stemmed mainly from the elimination of the *Share in earnings of Joint Ventures* Phases I and II, which comprises non-EBITDA items of the Joint Ventures such as amortization and financing costs, and the addition of the EBITDA of the Joint Ventures.

Under proportionate consolidation, consolidated EBITDA for the first quarter grew $10.6 million or 20.4% from the same period in 2014, compared with growth of $9.5 million or 22.6% under the IFRS equity method.

Net Earnings

Given the amortization, financing costs, other items and income tax, proportionate consolidation of results of Joint Ventures Phases I and II had no impact on net earnings attributable to shareholders and on net earnings per share.

Wind

For the wind power segment, reporting under proportionate consolidation has an impact on production volume, revenues and EBITDA. The impact is reflected in part through *Volume*, which shows the boon to segment results from the increase in first-quarter production at Joint Venture Phase I in 2015 compared with the same period of 2014, and in part through *Power stations commissioned* which, in addition to the additional contribution from French wind farms Fortel-Bonnières and St-François, as well as from the Québec wind farm Témiscouata I, includes 50% of the production, revenues and EBITDA generated by the December 2014 commissioning of Joint Venture Phase II.

The following table shows major changes in revenues from energy sales and EBITDA for the three-month period ended March 31, 2015:

	Revenues from energy sales		EBITDA	
	(in thousands of $)	%	(in thousands of $)	%
THREE-MONTH PERIOD ENDED MARCH 31, 2014	47,948		41,161	
Power stations commissioned*	8,976	18.7%	7,921	19.2%
BEV operations**	14,786	30.8%	9,510	23.1%
Pricing	165	0.3%	165	0.4%
Volume	(2,743)	(5.7)%	(2,743)	(6.6)%
Foreign exchange effect	(1,751)	(3.6)%	(1,433)	(3.5)%
Maintenance	—	—	(420)	(1.0)%
Other	(12)	—	333	0.8%
Change	19,421	40.5%	13,333	32.4%
THREE-MONTH PERIOD ENDED MARCH 31, 2015	67,369		54,494	

* Commissioning of the Fortel-Bonnières wind power facility in France in October and November 2014, Joint Venture Phase II and Témiscouata I wind power facility in Canada in December 2014 and a portion of the St-François wind farm in France in March 2015.

** Acquisition of 12 wind farms in operation in France on December 18, 2014, with capacity of 186 MW.

Production

For the first quarter of 2015, including Boralex's 173,865 MWh share in the production of Joint Ventures Phases I and II (116,530 MWh in the same quarter of 2014), the wind power segment reported growth in production of 46.8% compared with 45.7% under the IFRS equity method. In addition, under proportionate consolidation, wind power production represented an additional contribution of 45.1% compared with IFRS.

Revenues

On the same basis of comparison, including Boralex's $18.7 million share in the revenues of the Joint Ventures for the first quarter of 2015 ($12.6 million for the same period of 2014), the wind power segment reported revenue growth of 40.5%, compared with 37.8% under IFRS. Quarterly wind power segment revenues were thus 38.3% higher under proportionate consolidation than under IFRS.

EBITDA

	Three-month periods ended March 31	
(in thousands of dollars)	**2015**	**2014**
EBITDA (IFRS)	44,586	32,211
Less: Share in earnings of Joint Ventures Phases I and II	6,515	2,022
Plus: EBITDA of Joint Ventures Phases I and II	16,423	10,972
EBITDA (Proportionate Consolidation)	54,494	41,161

In the first quarter of 2015, Boralex's $16.4 million share in the EBITDA of the Joint Ventures ($11.0 million for the same period of 2014) resulted in a 32.4% increase in EBITDA for the segment over the same period of 2014 under proportionate consolidation compared with a 38.4% increase under the IFRS equity method.

As shown in the table above, segment EBITDA for the first quarter of 2015 was $9.9 million or 22.2% higher under proportionate consolidation than under IFRS. This difference stemmed mainly from the elimination of the *Share in earning of Joint Ventures* Phases I and II, which includes non-EBITDA items of the Joint Ventures such as amortization and financing costs, and the addition of the EBITDA of the Joint Ventures.

Cash Flows

Under proportionate consolidation, cash flows from operations for the three-month period ended March 31, 2015 was $2.6 million higher than under the IFRS equity method, due mostly to the addition of the EBITDA of the Joint Ventures, which was higher than the amount they distributed to Boralex. However, the cash generated by the change in non-cash items related to operating activities was $4.7 million lower than under IFRS.

In total, cash generated by operating activities was $2.2 million lower under proportionate consolidation than under IFRS.

The Corporation recorded a slight increase of $0.7 million in funds used in investing activities, consisting primarily of an additional $2.4 million for additions to property, plant and equipment, net of a $1.6 million drawdown from cash restricted for this purpose.

Lastly, cash flows generated by financing activities were $0.4 million lower than under IFRS, primarily due to payments on non-current debt of the Joint Ventures.

In the aggregate, under proportionate consolidation, cash and cash equivalents as at March 31, 2015 were down $3.3 million from December 31, 2014, whereas under IFRS, they were $4.0 million higher over the same period, for a net impact of $0.7 million.

Financial Position

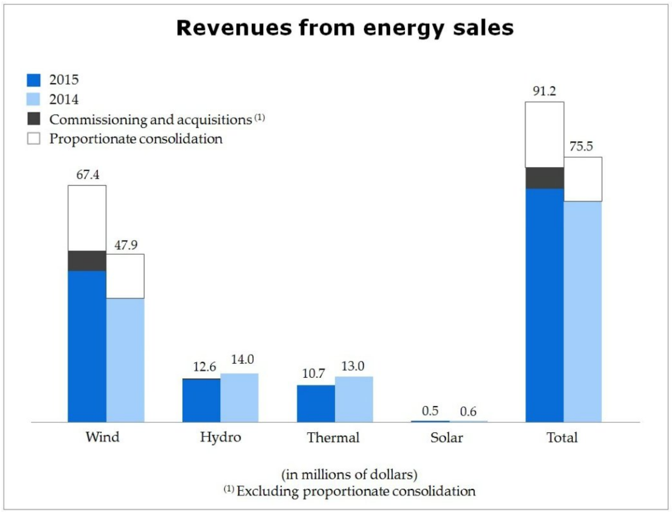
The main changes in the statement of financial position resulting from proportionate consolidation are as follows:

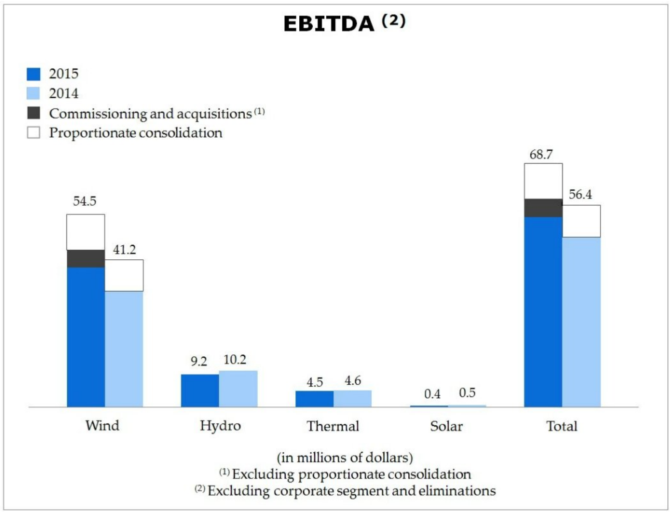
- A $29.7 million or 19.5% increase in total current assets, including a $13.9 million increase in the sum of restricted cash and cash and cash equivalents and a $15.1 million increase in *Trade and other receivables*;
- A $346.6 million of 19.6% increase in total non-current assets, driven primarily by a $423.6 million increase in the value of property, plant and equipment, partly offset by the elimination of the *Interests in the Joint Ventures* item in the amount of $79.4 million;
- A $23.3 million increase in total current liabilities, mainly in the current portion of non-current debt; and
- A $353.5 million or 26.3% increase in total non-current liabilities, consisting mainly of a $296.2 million increase in non-current debt, a $25.8 million increase in other non-current financial liabilities and a $30.3 million increase in deferred revenues.

Accordingly, cash and cash equivalents and restricted cash as at March 31, 2015 totalled $101.1 million under proportionate consolidation compared with $87.2 million under IFRS.

Segment and Geographic Breakdown of Results of Continuing Operations for the Three-month Periods Ended March 31, 2015 and 2014

Segment breakdown





The following is a discussion of changes in segment breakdown of revenues and EBITDA for the three-month period ended March 31, 2015 compared with the same period of 2014.

Wind

For the first three months fiscal 2015, revenues in the wind power segment grew 40.7% from the same period of the previous year, boosting its share of first-quarter consolidated revenues to 73.9% in 2015 from 63.4% in 2014. The strong growth in segment revenues was driven primarily by the expansion in its asset base, including:

- Commissioning of an additional 92 MW (Boralex's net share) during the fourth quarter of 2014 (Fortel-Bonnières wind farm in France and the Joint Venture Phase II and Témiscouata I wind farms in Canada) and the first quarter of 2015 (50% of the equipment at our French St-François wind farm); and
- The acquisition of 12 wind farms in operation in France from BEV on December 18, 2014, with a total capacity of 186 MW.

In the wind power segment, EBITDA for the first quarter of 2015 rose 32.3% from the same period of 2014, increasing its share of quarterly consolidated EBITDA (before the corporate segment and eliminations) to 79.3% in 2015 from 72.9% in 2014, strengthening its position as Boralex's most significant source of EBITDA. The segment's EBITDA margin is also higher than the average for Boralex's energy asset portfolio, at approximately 80.9% for the first quarter of 2015 (86.0% for the same period of 2014). Considering the impact starting in 2015 of the BEV acquisition, the 113 MW in recently commissioned assets, the wind power projects under development representing a total additional contracted capacity of 127 MW and the large pool of potential wind power projects available to Boralex, this segment's dominant contribution to the Corporation's profitability is expected to increase in the coming quarters and years, underpinning the strength of its average profit margin.

Hydroelectric

First-quarter hydroelectric power segment revenues were down 10.0% in 2015 compared with the same period of 2014, owing primarily to difficult weather conditions and weak market selling prices in the Northeastern United States. Accordingly, and due as well to significant expansion in the wind power segment, its share of quarterly consolidated revenues fell to 13.8% in 2015 from 18.5% in 2014. Due to same factors discussed above, quarterly EBITDA in the hydroelectric power segment was down 9.8% in 2015 from the same period of 2014, accounting for 13.5% of first-quarter consolidated EBITDA (before the corporate segment and eliminations) in 2015 compared with 18.1% in the prior year. As a percentage of revenues, the hydroelectric power segment's quarterly EBITDA margin increased to 73.0% in 2015 from 72.9 % in 2014.

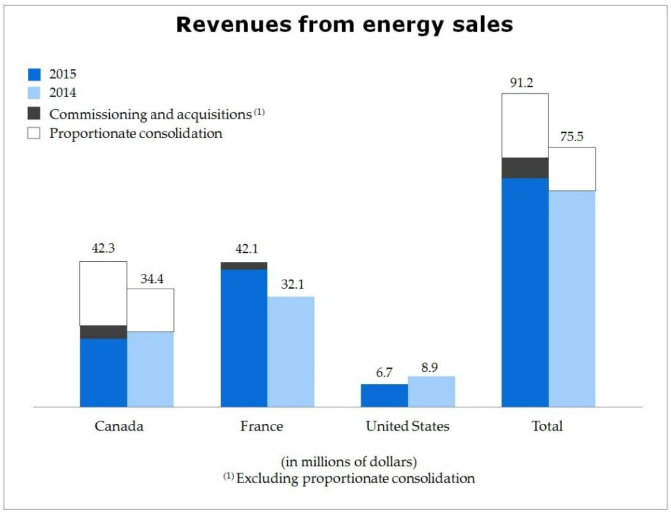
Thermal

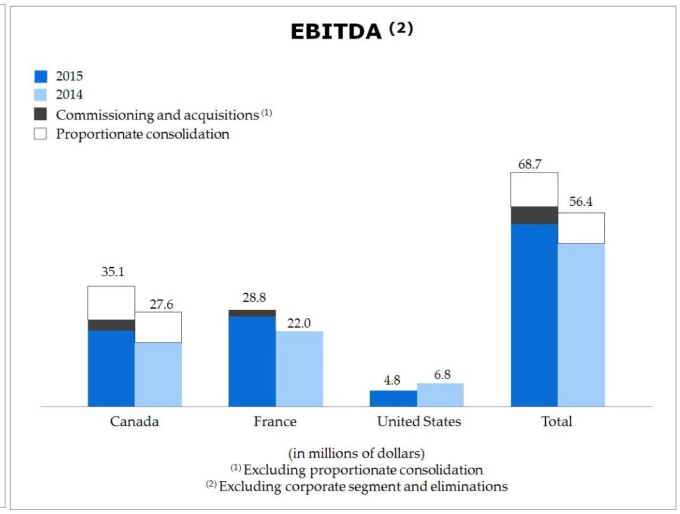
First-quarter thermal power segment revenues were down 17.7% in 2015 compared with the same period of 2014, due to a slowdown in production and a lower average selling price. The thermal segment accounted for 11.7% of consolidated revenues in the first three months of 2015, compared with 17.2% in the same period of 2014. Thermal power segment EBITDA was down 2.2% from the first quarter of 2014. The segment's share of quarterly consolidated EBITDA (before the corporate segment and eliminations) stood at 6.6% compared with 8.1% in the prior year. Segment EBITDA margin rose to 42.1% in the first quarter of 2015 from 35.4% in the same period of 2014, due in part to lower natural gas costs in France.

Solar

Boralex's only solar power station generated EBITDA of $0.4 million on revenues of $0.5 million for the first three months of 2015, representing an EBITDA margin of 80.0%. For the same period of 2014, EBITDA and revenues totalled $0.5 million and $0.6 million, respectively, with a margin of 83.3%. The solar power segment, which for the time being accounts for only a marginal share of Boralex's energy portfolio, generated less than 1% of consolidated revenues and EBITDA (before the corporate segment and eliminations) for the first quarter of fiscal 2015.

Geographic breakdown





Geographically, Boralex's revenues from energy sales for the three-month period ended March 31, 2015 were broken down as follows:

- 46,4% in Canada compared with 45.6% in the same period of 2014;
- 46,2 % in France, compared with 42.6% in the same period of 2014; and
- 7,4% in the United States compared with 11.8% in the same period of 2014.

The relative weight of our French operations logged the highest growth due to the December 2014 acquisition of the 12 power stations in operation from BEV, totalling 186 MW. The growth in our Canadian assets' relative share of revenues resulted in particular from the commissioning of Joint Venture Phase II and Témiscouata I in December 2014, coupled with the favourable performance of Joint Venture Phase I. The relative weights of the Canadian and European operations are now balanced, which further strengthens the advantages garnered by the geographic diversification of Boralex's asset base with regard to weather conditions and growth opportunities. The lower relative share of revenues the U.S. assets stemmed from the higher weights of the French and Canadian markets and drops in production and average selling prices at U.S. hydroelectric power stations.

Non-IFRS Measures

In order to assess the performance of its assets and reporting segments, Boralex uses EBITDA, cash flows from operations and the ratio of net debt as performance measures. Management believes that these measures are widely accepted financial indicators used by investors to assess the operational performance of a company and its ability to generate cash through operations.

These non-IFRS measures are derived primarily from the unaudited interim condensed consolidated financial statements, but do not have a standardized meaning under IFRS; accordingly, they may not be comparable to similarly named measures used by other companies.

This section also shows proportionately consolidated EBITDA, cash flows from operations and net debt ratio where the results of Joint Ventures Phases I and II are 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 prepared on a proportionate consolidation basis, management has considered it relevant to include these amounts 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 provided.

EBITDA

EBITDA does not have a standardized meaning under IFRS; accordingly, it may not be comparable to similarly named measures used by other companies. Investors should not view EBITDA as an alternative measure to, for example, net earnings, or as a measure of operating results, which are IFRS measures.

EBITDA is reconciled to the most comparable IFRS measure, namely, net earnings, in the following table:

IFRS

(in thousands of dollars)	Three-month periods ended March 31 2015	2014
Net earnings	8,053	9,383
Net earnings from discontinued operations	—	(839)
Income tax expense	2,111	4,846
Net loss on financial instruments	4,376	919
Foreign exchange loss (gain)	1,006	(341)
Financing costs	17,526	13,693
Other gains	(77)	(573)
Amortization	18,759	15,117
EBITDA	51,754	42,205
Acquisition costs	488	—
ADJUSTED EBITDA	52,242	42,205

Proportionate Consolidation

(in thousands of dollars)	Three-month periods ended March 31 2015	2014
Net earnings	8,053	9,319
Net earnings from discontinued operations	—	(839)
Income tax expense	2,111	4,846
Net loss on financial instruments	4,376	1,648
Foreign exchange loss (gain)	1,005	(339)
Financing costs	22,959	18,652
Other gains	(480)	(896)
Amortization	24,291	19,366
EBITDA	62,315	51,757
Acquisition costs	488	—
ADJUSTED EBITDA	62,803	51,757

Net earnings attributable to shareholders of Boralex

IFRS

(in thousands of dollars)	Three-month periods ended March 31 2015	2014
Net earnings attributable to shareholders of Boralex	6,606	7,951
Net loss on undesignated financial instruments, net of taxes	3,010	—
Acquisition costs, net of taxes	341	—
ADJUSTED NET EARNINGS ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX	9,957	7,951

Proportionate Consolidation

(in thousands of dollars)	Three-month periods ended March 31 2015	2014
Net earnings attributable to shareholders of Boralex	6,606	7,887
Net loss on undesignated financial instruments, net of taxes	3,010	—
Acquisition costs, net of taxes	341	—
ADJUSTED NET EARNINGS ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX	9,957	7,887

Cash Flows from Operations

Cash flows from operations are equal to net cash flows related to operating activities before change in non-cash items related to operating activities. Management uses this measure to assess cash flows generated by the Corporation's operations and its capacity to finance its expansion through those funds. In light of the seasonal nature of the Corporation's operations and development activities, changes in non-cash items can vary considerably. In addition, development activities result in significant changes in *Trade and other payables* during the construction period, as well as an initial injection of working capital at project start-up. Accordingly, the Corporation considers it more representative not to integrate changes in non-cash items in this performance measure.

Investors should not consider cash flows from operations as an alternative measure to cash flows related to operating activities, which is an IFRS measure.

Cash flows from operations are reconciled to the most comparable IFRS measure, namely net cash flows related to operating activities, in the following table:

IFRS

(in thousands of dollars)	Three-month periods ended March 31 2015	2014
Net cash flows related to operating activities	49,067	33,768
Change in non-cash items related to operating activities	8,866	4,442
CASH FLOWS FROM OPERATIONS	40,201	29,326
Acquisition costs	488	—
ADJUSTED CASH FLOWS FROM OPERATIONS	40,689	29,326

Proportionate Consolidation

(in thousands of dollars)	Three-month periods ended March 31 2015	2014
Net cash flows related to operating activities	46,880	40,518
Change in non-cash items related to operating activities	4,127	3,950
CASH FLOWS FROM OPERATIONS	42,753	36,568
Acquisition costs	488	—
ADJUSTED CASH FLOWS FROM OPERATIONS	43,241	36,568

Net Debt Ratio

The Corporation defines net debt as follows:

(in thousands of dollars)	IFRS As at March 31, 2015	IFRS As at December 31, 2014	Proportionate Consolidation As at March 31, 2015	Proportionate Consolidation As at December 31, 2014
Non-current debt	1,012,072	989,087	1,308,268	1,285,258
Current portion of debt	104,582	172,044	124,319	191,762
Borrowing costs, net of accumulated amortization	21,398	21,713	38,525	39,252
Less:				
Bridge facility*	—	100,000	—	100,000
Cash and cash equivalents	79,435	75,394	87,594	86,845
Restricted cash	7,731	12,459	13,462	19,814
Net debt	1,050,886	994,991	1,370,056	1,309,613
Net debt excluding non-current debt drawn for projects under construction	1,041,997	956,311	1,361,167	1,270,933

* The bridge facility was excluded from net debt as at December 31, 2014 as it related to temporary financing.

The Corporation defines total book capitalization as follows:

(in thousands of dollars)	IFRS As at March 31, 2015	IFRS As at December 31, 2014	Proportionate Consolidation As at March 31, 2015	Proportionate Consolidation As at December 31, 2014
Total equity	377,992	336,319	377,475	335,802
Bridge facility	—	100,000	—	100,000
Net debt	1,050,886	994,991	1,370,056	1,309,613
Convertible debentures	233,898	232,977	233,898	232,977
Convertible debenture issuance costs, net of accumulated amortization	2,557	2,765	2,557	2,765
Deferred taxes on convertible debentures	5,158	5,158	5,158	5,158
Imputed interest calculated on convertible debentures	(11,669)	(10,942)	(11,669)	(10,942)
Total book capitalization	1,658,822	1,661,268	1,977,475	1,975,373

The Corporation computes the net debt ratio as follows:

(in thousands of dollars)	IFRS As at March 31, 2015	IFRS As at December 31, 2014	Proportionate Consolidation As at March 31, 2015	Proportionate Consolidation As at December 31, 2014
Net debt	1,050,886	994,991	1,370,056	1,309,613
Total book capitalization	1,658,822	1,661,268	1,977,475	1,975,373
NET DEBT RATIO	63.4%	59.9%	69.3%	66.3%
NET DEBT RATIO, excluding non-current debt drawn for projects under construction*	63.2%	58.9%	69.1%	65.6%

* Given the significant growth in recent years with the addition of long-term contracted capacity and fixed-rate debt, the portion of non-current debt drawn for projects under development was excluded.

Financial Instruments

Foreign Exchange Risk

The Corporation generates foreign currency liquidity through the operation of its power stations in France and the United States. First, the Corporation reduces its risk exposure to a minimum, as revenues, expenses and financing are in the local currency. Accordingly, foreign exchange risk arises from the residual liquidity that can be distributed to the parent company. Given those conditions and in light of the major BEV acquisition carried out in December 2014, Boralex entered into a series of long-term foreign exchange forward contracts for a portion of approximately 75% of the euros it expects to translate into dollars through January 2025. In addition, the Corporation fixed the exchange rate on an amount of €15.1 million received on the asset held for sale of a 10 MW wind farm to be transferred back to Canada in the second quarter, as well as on an additional amount of €25.0 million to be issued on European project debt once the conditions precedent have been met.

Management considers that the cash flows generated in the United States do not represent a significant risk at present. A hedging strategy could be developed in future in due course.

In connection with Canadian project development, certain future expenditures may be in foreign currencies. Where applicable, the Corporation's objective is to protect its anticipated return on its investment by entering into hedging instruments to eliminate volatility in expected expenditures and, in turn, stabilize significant costs such as turbines.

Price Risk

In the Northeastern United States, a portion of the Corporation's power production is sold at market prices or under short-term contracts and is accordingly subject to fluctuations in electricity prices. Electricity prices vary according to supply, demand and certain external factors, including weather conditions, and the price from other sources of power. As a result, prices may fall too low for the power stations to yield an operating profit.

As at March 31, 2015, the power stations in France and Canada, as well as those in Hudson Falls and South Glens Falls in the United States, have long-term energy sales contracts, the vast majority of which are subject to partial or full indexation clauses tied to inflation. Consequently, only 23 MW or 2% of Boralex's installed capacity is exposed to price risk.

Interest Rate Risk

Under IFRS, as at March 31, 2015, approximately 37% of non-current debt issued bears interest at variable rates, excluding the revolving credit facility. A sharp increase in interest rates in the future could affect the liquid assets available for the Corporation's development projects. However, since the Corporation uses interest rate swaps and interest rate forward contracts, its exposure to interest rate fluctuations is reduced to only 9% of total debt under IFRS and 8% under proportionate consolidation.

IFRS

As at March 31, **2015**	Currency	Current notional (currency of origin)	Current notional (C$)	Fair value (currency of origin)	Fair value (C$)
Financial swaps - interest rates	EUR	237,813	323,782	(23,508)	(32,003)
Financial swaps - interest rates	CAD	98,447	98,447	(40,938)	(40,938)
Foreign exchange forward contracts	EUR	139,000	189,248	9,766	9,762
			611,477		(63,179)

Proportionate Consolidation

As at March 31, **2015**	Currency	Current notional (currency of origin)	Current notional (C$)	Fair value (currency of origin)	Fair value (C$)
Financial swaps - interest rates	EUR	237,813	323,782	(23,508)	(32,006)
Financial swaps - interest rates	CAD	339,600	339,600	(66,721)	(66,721)
Foreign exchange forward contracts	EUR	139,000	189,248	9,766	9,762
			852,630		(88,965)

The Corporation does not plan to sell these instruments, since they were entered into to reduce the Corporation's risk related to interest rate and exchange rate fluctuations, and to protect, to all extent possible, the anticipated return on those projects. As a result, the fact that fair value is unfavourable only indicates that forward interest rates or exchange rates have fallen and has no bearing on the effectiveness of the instrument as part of the Corporation's risk management strategy.

On January 21, 2015, the Canadian dollar interest rate swaps that were not designated as hedges were designated for two new development projects: Yellow Falls and Frampton. All other contracts qualify for hedge accounting.

Commitments

The commitments are discussed in Boralex's Annual Report for the fiscal year ended December, 31 2014. During the three-month period ended March 31, 2015, the Corporation entered into the following new commitments:

Frampton Wind Power Project

In March 2015, the Corporation entered into a 15-year wind turbine maintenance contract expiring in 2030 for the Frampton wind power project. The contract includes a cancellation option at the Corporation's discretion after seven years. The Corporation's net commitment under this contract amounts to $5.6 million, taking into account only the first seven years of the contract.

In March 2015, the Corporation entered into a wind turbine construction and installation contract for the Frampton wind power project for a total amount of $48.3 million. Expenditures will be made according to the percentage of completion.

Touvent Wind Power Project

At the time of acquisition of the Touvent wind power project on February 5, 2015, the Corporation took over a wind turbine construction and installation contract for a total amount of $19.2 million (€14.1 million). Expenditures will be made according to the percentage of completion.

Yellow Falls Hydroelectric Project

The Corporation has entered into an engineering contract for the Yellow Falls hydroelectric project. The Corporation's net commitment under this contract amounts to $0.9 million as at March 31, 2015. Expenditures will be made according to the percentage of completion.

Subsequent Events

Buckingham Hydroelectric Power Station

Since April 24, 2015, the Corporation has a commitment totalling $8.1 million for the Buckingham hydroelectric power station dam repair work required under the Dam Safety Act. Expenditures will be made according to the percentage of completion.

Montfort Peyruis Project

In April 2015, the Corporation entered into a contract for the construction of the connection grid for a total amount of $1.5 million (€1.1 million) for the Montfort Peyruis solar power project. Expenditures will be made according to the percentage of completion.

Closing of financing for the Calmont wind power project

On April 3, 2015, the Corporation completed the long-term financing arrangement for the Calmont wind farm in France. The loan, secured by the assets of this wind farm, comprises an amount of €21.0 million ($28.8 million) and a €3.5 million ($4.8 million) revolving facility. The €21 million loan will be fully amortized in quarterly payments over a 15-year period. The first quarterly payment will be made three months after the commissioning, which is expected to take place by the end of 2015. The interest rate for the €21 million loan is variable and is based on EURIBOR, plus a margin. To reduce its exposure to changes in interest rates, the Corporation intends to use interest rate swaps to cover a minimum of 70% of this loan over its full term.

Frampton Project

On April 30, 2015, the Corporation entered into an agreement for for the Frampton wind power project's transformer substation and control building for an amount totalling $3.2 million. Expenditures will be made according to the percentage of completion.

Risk Factors and Uncertainties

Risk Factors

Boralex has not observed any significant changes regarding the risks to which it is subject, and which are discussed under *Risk Factors and Uncertainties* in Boralex's annual MD&A for the year ended December 31, 2014.

Main Sources of Uncertainty Relating to Management's Estimates and Key Judgments

The preparation of financial statements in conformity with IFRS requires management to make estimates and judgments that can materially affect the recognized amounts of revenues, expenses, comprehensive income (loss), assets and liabilities, and the information reported in the consolidated financial statements. Management determines its estimates based on a number of factors, namely its experience, current events and measures the Corporation could subsequently take, as well as other assumptions it deems reasonable given the circumstances. By their nature, these estimates are subject to measurement uncertainty and actual results may differ from them. Underlying estimates and assumptions are periodically reviewed and the impact of any changes is recognized immediately.

Items in question are presented under *Risk Factors and Uncertainties* in Boralex's annual MD&A for the year ended December 31, 2014.

Accounting Policies

Changes in Accounting Policies

IAS 16, *Property, plant and equipment*, and IAS 38, *Intangible assets*

In May 2014, the IASB amended IAS 16, *Property, Plant and Equipment*, and IAS 38, *Intangible Assets*, to provide clarification of the acceptable methods of amortization under those standards. The use of revenue-based amortization is prohibited for property, plant and equipment. However, the use of this method remains acceptable for intangible assets, but is significantly limited. The amended standards must be applied prospectively for fiscal years beginning on or after January 1, 2016, with earlier adoption permitted. The Corporation assessed their impact and early adopted the standards as of January 1, 2015. Energy sales contracts for the South Glens Falls and Hudson Falls hydroelectric power stations in the United States were amortized using a method based on contract revenues. To comply with the amended standards, the aforementioned contracts are amortized prospectively on a straight-line basis over their remaining terms, namely 20 and 21 years or until 2034 and 2035, respectively. The annual impact of this change for South Glens Falls is a decrease in amortization expense for the years 2015 to 2024 of $0.3 million (US$0.3 million) and an increase in amortization expense from 2025 to 2034 of $0.3 million (US$0.3 million). The annual impact of this change for Hudson Falls is a decrease in amortization expense for the years 2015 to 2025 of $0.6 million (US$0.5 million) and an increase in amortization expense from 2026 to 2035 of $0.7 million (US$0.6 million).

Internal Controls and Procedures

In accordance with Regulation 52-109 respecting certification of disclosure in issuers' annual and interim filings, disclosure controls and procedures have been designed to provide reasonable assurance that the information that must be presented in Boralex's interim and annual reports is accumulated and communicated to management on a timely basis, including the Chief Executive Officer and the Chief Financial Officer, so that appropriate decisions can be made regarding disclosure. Internal control over financial reporting has also been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS.

The Chief Executive Officer and the Chief Financial Officer have evaluated the effectiveness of Boralex's disclosure controls and procedures as of December 31, 2014, as well as the effectiveness of Boralex's internal control over financial reporting as of the same date, and have concluded that they are effective.

During the three-month period ended March 31, 2015, no changes were made to internal control over financial reporting or disclosure controls and procedures that have materially affected, or are reasonably likely to materially affect, internal controls and procedures.

Limitation on Scope of Design of Disclosure Controls and Procedures and Internal Control over Financial Reporting

The scope and design of the Corporation's disclosure controls and procedures and internal control over financial reporting ("DC&P" and "ICFR") as at March 31, 2015, did not cover the controls and procedures of the activities of Enel Green Power France S.A.S., acquired on December 18, 2014, and which are included in the consolidated financial statements of March 31, 2015. The Corporation has elected to apply section 3.3(1)(b) of Regulation 52-109, which allows this acquisition to be excluded from the evaluation of the design and effectiveness of DC&P and ICFR for a maximum of 365 days from the acquisition date.

Consolidated Statements of Financial Position

(in thousands of dollars)	As at March 31, 2015	As at December 31, 2014
ASSETS		
Cash and cash equivalents	87,594	86,845
Restricted cash	13,462	19,814
Trade and other receivables	63,343	71,338
Inventories	5,425	5,631
Other current financial assets	4,527	1,213
Prepaid expenses	7,344	5,358
CURRENT ASSETS	181,695	190,199
Property, plant and equipment	1,638,995	1,644,313
Intangible assets	255,056	254,007
Goodwill	148,381	134,044
Deferred income tax asset	18,003	13,141
Other non-current financial assets	5,878	3,230
Other non-current assets	53,989	49,816
NON-CURRENT ASSETS	2,120,302	2,098,551
TOTAL ASSETS	2,301,997	2,288,750
LIABILITIES		
Trade and other payables	60,516	64,698
Current portion of debt	124,319	191,762
Current income tax liability	1,492	1,601
Other current financial liabilities	40,938	34,116
CURRENT LIABILITIES	227,265	292,177
Non-current debt	1,308,268	1,285,258
Convertible debentures	233,898	232,977
Deferred income tax liability	33,896	30,780
Decommissioning liability	11,802	11,936
Other non-current financial liabilities	58,430	50,374
Other non-current liabilities	50,963	49,446
NON-CURRENT LIABILITIES	1,697,257	1,660,771
TOTAL LIABILITIES	1,924,522	1,952,948
EQUITY		
Equity attributable to shareholders	365,937	302,674
Non-controlling shareholders	11,538	33,128
TOTAL EQUITY	377,475	335,802
TOTAL LIABILITIES AND EQUITY	2,301,997	2,288,750

Consolidated Statements of Earnings

(in thousands of dollars, except per share amounts)	Three-month periods ended March 31 2015	2014
REVENUES		
Revenues from energy sales	91,174	75,522
Other income	323	276
	91,497	75,798
COSTS AND OTHER EXPENSES		
Operating expenses	22,310	19,441
Administrative	4,536	3,559
Development	2,238	1,012
Amortization	24,291	19,366
Other gains	(480)	(896)
	52,895	42,482
OPERATING INCOME	38,602	33,316
Financing costs	22,959	18,652
Foreign exchange loss (gain)	1,005	(339)
Net loss on financial instruments	4,376	1,648
Other	98	29
EARNINGS BEFORE INCOME TAXES	10,164	13,326
Income tax expense	2,111	4,846
NET EARNINGS FROM CONTINUING OPERATIONS	8,053	8,480
Net earnings from discontinued operations	—	839
NET EARNINGS	8,053	9,319
NET EARNINGS ATTRIBUTABLE TO:		
Shareholders of Boralex	6,606	7,887
Non-controlling shareholders	1,447	1,432
NET EARNINGS	8,053	9,319
NET EARNINGS ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX		
Continuing operations	6,606	7,048
Discontinued operations	—	839
	6,606	7,887
NET EARNINGS PER SHARE (BASIC) ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX		
Continuing operations	$0.14	$0.19
Discontinued operations	—	$0.02
	$0.14	$0.21
NET EARNINGS PER SHARE (DILUTED) ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX		
Continuing operations	$0.14	$0.17
Discontinued operations	—	$0.02
	$0.14	$0.19

Consolidated Statements of Cash Flows

(in thousands of dollars)	Three-month periods ended March 31 2015	2014
Net earnings	8,053	9,319
Less: Net earnings from discontinued operations	—	839
Net earnings from continuing operations	8,053	8,480
Financing costs	22,959	18,652
Interest paid	(18,401)	(15,456)
Income tax expense	2,111	4,846
Income taxes paid	(449)	(856)
Non-cash items in earnings:		
Net loss on financial instruments	4,376	1,648
Amortization	24,291	19,366
Other	(187)	(112)
	42,753	36,568
Change in non-cash items related to operating activities	4,127	3,950
NET CASH FLOWS RELATED TO OPERATING ACTIVITIES	46,880	40,518
Business acquisitions, net of cash acquired	(16,128)	—
Additions to property, plant and equipment	(33,689)	(24,889)
Change in restricted cash	4,486	(18,722)
Change in reserve funds	(175)	(28)
Development projects	(1,248)	(1,511)
Other	(1,510)	(505)
NET CASH FLOWS RELATED TO INVESTING ACTIVITIES	(48,264)	(45,655)
Net increase in non-current debt	14,678	35,238
Repayments on current and non-current debt	(127,463)	(16,449)
Contribution of non-controlling shareholders	2,058	1,522
Dividends paid to shareholders of Boralex	(6,232)	(4,923)
Proceeds from share issuance, net of transaction costs	118,427	—
Options exercised	85	4,206
Other	(90)	(40)
NET CASH FLOWS RELATED TO FINANCING ACTIVITIES	1,463	19,554
Cash from discontinued operations	—	1,215
TRANSLATION ADJUSTMENT ON CASH AND CASH EQUIVALENTS	670	2,135
NET CHANGE IN CASH AND CASH EQUIVALENTS	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

Information by Operating Segment

(in thousands of dollars, except MWh)	Three-month periods ended March 31 2015	2014
POWER PRODUCTION (MWh)		
Wind power stations	559,760	381,389
Hydroelectric power stations	113,587	123,587
Thermal power stations	59,155	71,116
Solar power station	1,038	1,185
	733,540	577,277
REVENUES FROM ENERGY SALES		
Wind power stations	67,369	47,948
Hydroelectric power stations	12,584	13,996
Thermal power stations	10,736	12,976
Solar power station	485	602
	91,174	75,522
EBITDA		
Wind power stations	54,494	41,161
Hydroelectric power stations	9,247	10,167
Thermal power stations	4,525	4,572
Solar power station	404	491
Corporate and eliminations	(6,355)	(4,634)
	62,315	51,757

Information by Geographic Segment

(in thousands of dollars, except MWh)	Three-month periods ended March 31 2015	2014
POWER PRODUCTION (MWh)		
Canada	357,456	287,513
France	307,162	206,078
United States	68,922	83,686
	733,540	577,277
REVENUES FROM ENERGY SALES		
Canada	42,329	34,427
France	42,101	32,146
United States	6,744	8,949
	91,174	75,522
EBITDA		
Canada	30,445	23,943
France	27,171	21,083
United States	4,699	6,731
	62,315	51,757

Consolidated Statements of Financial Position

			As at March 31, 2015
(in thousands of dollars)	IFRS	Adjustments Joint Ventures	Proportionate Consolidation
ASSETS			
Cash and cash equivalents	79,435	8,159	87,594
Restricted cash	7,731	5,731	13,462
Trade and other receivables	48,291	15,052	63,343
Inventories	5,414	11	5,425
Other current financial assets	4,527	—	4,527
Prepaid expenses	6,630	714	7,344
CURRENT ASSETS	152,028	29,667	181,695
Property, plant and equipment	1,215,353	423,642	1,638,995
Intangible assets	255,056	—	255,056
Goodwill	148,381	—	148,381
Interests in the Joint Ventures	79,415	(79,415)	—
Deferred income tax asset	18,003	—	18,003
Other non-current financial assets	5,878	—	5,878
Other non-current assets	51,640	2,349	53,989
NON-CURRENT ASSETS	1,773,726	346,576	2,120,302
TOTAL ASSETS	1,925,754	376,243	2,301,997
LIABILITIES			
Trade and other payables	56,962	3,554	60,516
Current portion of debt	104,582	19,737	124,319
Current income tax liability	1,492	—	1,492
Other current financial liabilities	40,938	—	40,938
CURRENT LIABILITIES	203,974	23,291	227,265
Non-current debt	1,012,072	296,196	1,308,268
Convertible debentures	233,898	—	233,898
Deferred income tax liability	33,896		33,896
Decommissioning liability	10,640	1,162	11,802
Other non-current financial liabilities	32,646	25,784	58,430
Other non-current liabilities	20,636	30,327	50,963
NON-CURRENT LIABILITIES	1,343,788	353,469	1,697,257
TOTAL LIABILITIES	1,547,762	376,760	1,924,522
EQUITY			
Equity attributable to shareholders	366,454	(517)	365,937
Non-controlling shareholders	11,538	—	11,538
TOTAL EQUITY	377,992	(517)	377,475
TOTAL LIABILITIES AND EQUITY	1,925,754	376,243	2,301,997

Consolidated Statements of Financial Position

(in thousands of dollars)	As at December 31, 2014 IFRS	Adjustments Joint Ventures	Proportionate Consolidation
ASSETS			
Cash and cash equivalents	75,394	11,451	86,845
Restricted cash	12,459	7,355	19,814
Trade and other receivables	59,154	12,184	71,338
Inventories	5,620	11	5,631
Other current financial assets	1,213	—	1,213
Prepaid expenses	5,358	—	5,358
CURRENT ASSETS	159,198	31,001	190,199
Property, plant and equipment	1,215,411	428,902	1,644,313
Intangible assets	254,007	—	254,007
Goodwill	134,044	—	134,044
Interests in the Joint Ventures	91,483	(91,483)	—
Deferred income tax asset	13,141	—	13,141
Other non-current financial assets	3,230	—	3,230
Other non-current assets	47,445	2,371	49,816
NON-CURRENT ASSETS	1,758,761	339,790	2,098,551
TOTAL ASSETS	1,917,959	370,791	2,288,750
LIABILITIES			
Trade and other payables	57,616	7,082	64,698
Current portion of debt	172,044	19,718	191,762
Current income tax liability	1,601	—	1,601
Other current financial liabilities	34,116	—	34,116
CURRENT LIABILITIES	265,377	26,800	292,177
Non-current debt	989,087	296,171	1,285,258
Convertible debentures	232,977	—	232,977
Deferred income tax liability	30,780	—	30,780
Decommissioning liability	10,773	1,163	11,936
Other non-current financial liabilities	33,622	16,752	50,374
Other non-current liabilities	19,024	30,422	49,446
NON-CURRENT LIABILITIES	1,316,263	344,508	1,660,771
TOTAL LIABILITIES	1,581,640	371,308	1,952,948
EQUITY			
Equity attributable to shareholders	303,191	(517)	302,674
Non-controlling shareholders	33,128	—	33,128
TOTAL EQUITY	336,319	(517)	335,802
TOTAL LIABILITIES AND EQUITY	1,917,959	370,791	2,288,750

Consolidated Statements of Earnings

	Three-month period ended March 31		
	2015		
(in thousands of dollars, except per share amounts)	IFRS	Adjustments Joint Ventures	Proportionate Consolidation
REVENUES			
Revenues from energy sales	72,517	18,657	91,174
Other income	477	(154)	323
	72,994	18,503	91,497
COSTS AND OTHER EXPENSES			
Operating expenses	20,256	2,054	22,310
Administrative	4,511	25	4,536
Development	2,238	—	2,238
Amortization	18,759	5,532	24,291
Other gains	(77)	(403)	(480)
	45,687	7,208	52,895
OPERATING INCOME	27,307	11,295	38,602
Financing costs	17,526	5,433	22,959
Foreign exchange loss (gain)	1,006	(1)	1,005
Net loss on financial instruments	4,376	—	4,376
Share in earnings of the Joint Ventures	5,862	(5,862)	—
Other	97	1	98
EARNINGS BEFORE INCOME TAXES	10,164	—	10,164
Income tax expense	2,111	—	2,111
NET EARNINGS FROM CONTINUING OPERATIONS	8,053	—	8,053
Net earnings from discontinued operations	—	—	—
NET EARNINGS	8,053	—	8,053
NET EARNINGS ATTRIBUTABLE TO:			
Shareholders of Boralex	6,606	—	6,606
Non-controlling shareholders	1,447	—	1,447
NET EARNINGS	8,053	—	8,053
NET EARNINGS ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX			
Continuing operations	6,606	—	6,606
Discontinued operations	—	—	—
	6,606	—	6,606
NET EARNINGS PER SHARE (BASIC AND DILUTED) ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX			
Continuing operations	$0.14	—	$0.14
Discontinued operations	—	—	—
	$0.14	—	$0.14

Consolidated Statements of Earnings

	Three-month period ended March 31		
	2014		
(in thousands of dollars, except per share amounts)	IFRS	Adjustments Joint Ventures	Proportionate Consolidation
REVENUES			
Revenues from energy sales	62,930	12,592	75,522
Other income	446	(170)	276
	63,376	12,422	75,798
COSTS AND OTHER EXPENSES			
Operating expenses	17,948	1,493	19,441
Administrative	3,537	22	3,559
Development	1,012	—	1,012
Amortization	15,117	4,249	19,366
Other gains	(573)	(323)	(896)
	37,041	5,441	42,482
OPERATING INCOME	26,335	6,981	33,316
Financing costs	13,693	4,959	18,652
Foreign exchange loss (gain)	(341)	2	(339)
Net loss on financial instruments	919	729	1,648
Share in earnings of the Joint Ventures	1,355	(1,355)	—
Other	29	—	29
EARNINGS BEFORE INCOME TAXES	13,390	(64)	13,326
Income tax expense	4,846	—	4,846
NET EARNINGS FROM CONTINUING OPERATIONS	8,544	(64)	8,480
Net earnings from discontinued operations	839	—	839
NET EARNINGS	9,383	(64)	9,319
NET EARNINGS ATTRIBUTABLE TO:			
Shareholders of Boralex	7,951	(64)	7,887
Non-controlling shareholders	1,432	—	1,432
NET EARNINGS	9,383	(64)	9,319
NET EARNINGS ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX			
Continuing operations	7,112	(64)	7,048
Discontinued operations	839	—	839
	7,951	(64)	7,887
NET EARNINGS PER SHARE (BASIC) ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX			
Continuing operations	$0.19	—	$0.19
Discontinued operations	$0.02	—	$0.02
	$0.21	—	$0.21
NET EARNINGS PER SHARE (DILUTED) ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX			
Continuing operations	$0.18	($0.01)	$0.17
Discontinued operations	$0.02	—	$0.02
	$0.20	($0.01)	$0.19

Consolidated Statements of Cash Flows

	Three-month period ended March 31		
	2015		
(in thousands of dollars)	IFRS	Adjustments Joint Ventures	Proportionate Consolidation
Net earnings	8,053	—	8,053
Less: Net earnings from discontinued operations	—	—	—
Net earnings from continuing operations	8,053	—	8,053
Distributions received from a Joint Venture	9,550	(9,550)	—
Financing costs	17,526	5,433	22,959
Interest paid	(14,057)	(4,344)	(18,401)
Income tax expense	2,111	—	2,111
Income taxes paid	(449)	—	(449)
Non-cash items in earnings:			
Net loss on financial instruments	4,376	—	4,376
Share in results of the Joint Ventures	(5,862)	5,862	—
Amortization	18,759	5,532	24,291
Other	194	(381)	(187)
	40,201	2,552	42,753
Change in non-cash items related to operating activities	8,866	(4,739)	4,127
NET CASH FLOWS RELATED TO OPERATING ACTIVITIES	49,067	(2,187)	46,880
Business acquisitions, net of cash acquired	(16,128)	—	(16,128)
Additions to property, plant and equipment	(31,328)	(2,361)	(33,689)
Change in restricted cash	2,862	1,624	4,486
Change in reserve funds	(175)	—	(175)
Development projects	(1,248)	—	(1,248)
Other	(1,510)	—	(1,510)
NET CASH FLOWS RELATED TO INVESTING ACTIVITIES	(47,527)	(737)	(48,264)
Net increase in non-current debt	14,678	—	14,678
Repayments on current and non-current debt	(127,095)	(368)	(127,463)
Contribution of non-controlling shareholders	2,058	—	2,058
Dividends paid to shareholders of Boralex	(6,232)	—	(6,232)
Proceeds from share issuance, net of transaction costs	118,427	—	118,427
Options exercised	85	—	85
Other	(90)	—	(90)
NET CASH FLOWS RELATED TO FINANCING ACTIVITIES	1,831	(368)	1,463
TRANSLATION ADJUSTMENT ON CASH AND CASH EQUIVALENTS	670	—	670
NET CHANGE IN CASH AND CASH EQUIVALENTS	4,041	(3,292)	749
CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD	75,394	11,451	86,845
CASH AND CASH EQUIVALENTS - END OF PERIOD	79,435	8,159	87,594

Consolidated Statements of Cash Flows

	Three-month period ended March 31		
	2014		
(in thousands of dollars)	IFRS	Adjustments Joint Ventures	Proportionate Consolidation
Net earnings	9,383	(64)	9,319
Less: Net earnings from discontinued operations	839	—	839
Net earnings from continuing operations	8,544	(64)	8,480
Financing costs	13,693	4,959	18,652
Interest paid	(11,793)	(3,663)	(15,456)
Income tax expense	4,846	—	4,846
Income taxes paid	(856)		(856)
Non-cash items in earnings:			
Net loss on financial instruments	919	729	1,648
Share in results of the Joint Ventures	(1,355)	1,355	—
Amortization	15,117	4,249	19,366
Other	211	(323)	(112)
	29,326	7,242	36,568
Change in non-cash items related to operating activities	4,442	(492)	3,950
NET CASH FLOWS RELATED TO OPERATING ACTIVITIES	33,768	6,750	40,518
Additions to property, plant and equipment	(10,026)	(14,863)	(24,889)
Change in restricted cash	1,452	(20,174)	(18,722)
Change in reserve funds	(28)	—	(28)
Development projects	(1,511)	—	(1,511)
Other	(505)	—	(505)
NET CASH FLOWS RELATED TO INVESTING ACTIVITIES	(10,618)	(35,037)	(45,655)
Net increase in non-current debt	1,073	34,165	35,238
Repayments on current and non-current debt	(16,449)	—	(16,449)
Contribution of non-controlling shareholders	1,522	—	1,522
Dividends paid to shareholders of Boralex	(4,923)	—	(4,923)
Options exercised	4,206	—	4,206
Other	(40)	—	(40)
NET CASH FLOWS RELATED TO FINANCING ACTIVITIES	(14,611)	34,165	19,554
Cash from discontinued operations	1,215	—	1,215
TRANSLATION ADJUSTMENT ON CASH AND CASH EQUIVALENTS	2,135	—	2,135
NET CHANGE IN CASH AND CASH EQUIVALENTS	11,889	5,878	17,767
CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD	124,942	2,599	127,541
CASH AND CASH EQUIVALENTS - END OF PERIOD	136,831	8,477	145,308

Information by Operating Segment

	Three-month period ended March 31		
	2015		
(in thousands of dollars, except MWh)	IFRS	Adjustments Joint Ventures	Proportionate Consolidation
POWER PRODUCTION (MWh)			
Wind power stations	385,895	173,865	559,760
Hydroelectric power stations	113,587	—	113,587
Thermal power stations	59,155	—	59,155
Solar power station	1,038	—	1,038
	559,675	173,865	733,540
REVENUES FROM ENERGY SALES			
Wind power stations	48,712	18,657	67,369
Hydroelectric power stations	12,584	—	12,584
Thermal power stations	10,736	—	10,736
Solar power station	485	—	485
	72,517	18,657	91,174
EBITDA			
Wind power stations	44,586	9,908	54,494
Hydroelectric power stations	9,247	—	9,247
Thermal power stations	4,525	—	4,525
Solar power station	404	—	404
	58,762	9,908	68,670
Corporate and eliminations	(7,008)	653	(6,355)
	51,754	10,561	62,315

	Three-month period ended March 31		
	2014		
(in thousands of dollars, except MWh)	IFRS	Adjustments Joint Ventures	Proportionate Consolidation
POWER PRODUCTION (MWh)			
Wind power stations	264,859	116,530	381,389
Hydroelectric power stations	123,587	—	123,587
Thermal power stations	71,116	—	71,116
Solar power station	1,185	—	1,185
	460,747	116,530	577,277
REVENUES FROM ENERGY SALES			
Wind power stations	35,356	12,592	47,948
Hydroelectric power stations	13,996	—	13,996
Thermal power stations	12,976	—	12,976
Solar power station	602	—	602
	62,930	12,592	75,522
EBITDA			
Wind power stations	32,211	8,950	41,161
Hydroelectric power stations	10,167	—	10,167
Thermal power stations	4,572	—	4,572
Solar power station	491	—	491
	47,441	8,950	56,391
Corporate and eliminations	(5,236)	602	(4,634)
	42,205	9,552	51,757

Information by Geographic Segment

(in thousands of dollars, except MWh)	Three-month period ended March 31 2015 IFRS	Adjustments Joint Ventures	Proportionate Consolidation
POWER PRODUCTION (MWh)			
Canada	183,591	173,865	357,456
France	307,162	—	307,162
United States	68,922	—	68,922
	559,675	173,865	733,540
REVENUES FROM ENERGY SALES			
Canada	23,672	18,657	42,329
France	42,101	—	42,101
United States	6,744	—	6,744
	72,517	18,657	91,174
EBITDA			
Canada	19,884	10,561	30,445
France	27,171	—	27,171
United States	4,699	—	4,699
	51,754	10,561	62,315

(in thousands of dollars, except MWh)	Three-month period ended March 31 2014 IFRS	Adjustments Joint Ventures	Proportionate Consolidation
POWER PRODUCTION (MWh)			
Canada	170,983	116,530	287,513
France	206,078	—	206,078
United States	83,686	—	83,686
	460,747	116,530	577,277
REVENUES FROM ENERGY SALES			
Canada	21,835	12,592	34,427
France	32,146	—	32,146
United States	8,949	—	8,949
	62,930	12,592	75,522
EBITDA			
Canada	14,391	9,552	23,943
France	21,083	—	21,083
United States	6,731	—	6,731
	42,205	9,552	51,757

Consolidated Financial Statements

Unaudited Interim Condensed

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Consolidated Statements of Financial Position

(in thousands of Canadian dollars) (unaudited)	Note	As at March 31, 2015	As at December 31, 2014
ASSETS			
Cash and cash equivalents		79,435	75,394
Restricted cash		7,731	12,459
Trade and other receivables		48,291	59,154
Inventories		5,414	5,620
Other current financial assets	9	4,527	1,213
Prepaid expenses		6,630	5,358
CURRENT ASSETS		152,028	159,198
Property, plant and equipment		1,215,353	1,215,411
Intangible assets		255,056	254,007
Goodwill		148,381	134,044
Interests in the Joint Ventures	5	79,415	91,483
Deferred income tax asset		18,003	13,141
Other non-current financial assets	9	5,878	3,230
Other non-current assets		51,640	47,445
NON-CURRENT ASSETS		1,773,726	1,758,761
TOTAL ASSETS		1,925,754	1,917,959
LIABILITIES			
Trade and other payables		56,962	57,616
Current portion of debt	6	104,582	172,044
Current income tax liability		1,492	1,601
Other current financial liabilities	9	40,938	34,116
CURRENT LIABILITIES		203,974	265,377
Non-current debt	6	1,012,072	989,087
Convertible debentures		233,898	232,977
Deferred income tax liability		33,896	30,780
Decommissioning liability		10,640	10,773
Other non-current financial liabilities	9	32,646	33,622
Other non-current liabilities		20,636	19,024
NON-CURRENT LIABILITIES		1,343,788	1,316,263
TOTAL LIABILITIES		1,547,762	1,581,640
EQUITY			
Equity attributable to shareholders		366,454	303,191
Non-controlling shareholders		11,538	33,128
TOTAL EQUITY		377,992	336,319
TOTAL LIABILITIES AND EQUITY		1,925,754	1,917,959

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Earnings

(in thousands of Canadian dollars, except per share amounts) (unaudited)	Note	Three-month periods ended March 31 2015	2014
REVENUES			
Revenues from energy sales		72,517	62,930
Other income		477	446
		72,994	63,376
COSTS AND OTHER EXPENSES			
Operating expenses		20,256	17,948
Administrative		4,511	3,537
Development		2,238	1,012
Amortization		18,759	15,117
Other gains		(77)	(573)
		45,687	37,041
OPERATING INCOME		27,307	26,335
Financing costs		17,526	13,693
Foreign exchange loss (gain)		1,006	(341)
Net loss on financial instruments		4,376	919
Share in earnings of the Joint Ventures	5	5,862	1,355
Other		97	29
EARNINGS BEFORE INCOME TAXES		10,164	13,390
Income tax expense		2,111	4,846
NET EARNINGS FROM CONTINUING OPERATIONS		8,053	8,544
Net earnings from discontinued operations		—	839
NET EARNINGS		8,053	9,383
NET EARNINGS ATTRIBUTABLE TO:			
Shareholders of Boralex		6,606	7,951
Non-controlling shareholders		1,447	1,432
NET EARNINGS		8,053	9,383
NET EARNINGS ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX			
Continuing operations		6,606	7,112
Discontinued operations		—	839
		6,606	7,951
NET EARNINGS PER SHARE (BASIC) ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX			
Continuing operations		$0.14	$0.19
Discontinued operations		—	$0.02
	8	$0.14	$0.21
NET EARNINGS PER SHARE (DILUTED) ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX			
Continuing operations		$0.14	$0.18
Discontinued operations		—	$0.02
	8	$0.14	$0.20

The accompanying notes are an integral part of these consolidated financial statements.

Statements of Comprehensive Income

(in thousands of Canadian dollars) (unaudited)	Three-month periods ended March 31 2015	2014
NET EARNINGS	8,053	9,383
Other comprehensive income (loss) to be subsequently reclassified to net earnings when certain conditions are met		
Translation adjustments:		
Unrealized foreign exchange gain (loss) on translation of financial statements of self-sustaining foreign operations	(2,596)	7,772
Hedge of net investment:		
Change in fair value	6,971	—
Income taxes	(926)	—
Cash flow hedges:		
Change in fair value	(5,765)	(11,828)
Hedging items realized and recognized in net earnings	3,023	2,996
Income taxes	845	2,568
Cash flow hedges - Joint Ventures:		
Change in fair value	(9,033)	(5,234)
Income taxes	2,398	1,500
Total other comprehensive loss	(5,083)	(2,226)
COMPREHENSIVE INCOME	2,970	7,157
COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
Shareholders of Boralex	1,322	5,103
Non-controlling shareholders	1,648	2,054
COMPREHENSIVE INCOME	2,970	7,157
COMPREHENSIVE INCOME ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX		
Continuing operations	1,322	4,264
Discontinued operations	—	839
	1,322	5,103

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Changes in Equity

Three-month period ended March 31

2015

(in thousands of Canadian dollars) (unaudited)	Equity attributable to shareholders							
	Capital stock	Equity component of convertible debentures	Contributed surplus	Retained earnings (loss)	Accumulated other comprehensive loss	Total	Non-controlling shareholders	Total equity
BALANCE AS AT JANUARY 1, 2015	228,257	14,379	8,266	108,907	(56,618)	303,191	33,128	336,319
Net earnings	—	—	—	6,606	—	6,606	1,447	8,053
Other comprehensive income (loss)	—	—	—	—	(5,284)	(5,284)	201	(5,083)
COMPREHENSIVE INCOME (LOSS)	—	—	—	6,606	(5,284)	1,322	1,648	2,970
Dividends (note 8)	—	—	—	(6,232)	—	(6,232)	—	(6,232)
Shares issued (note 8)	119,562	—	—	—	—	119,562	—	119,562
Conversion of convertible debentures	14	—	—	—		14	—	14
Options exercised (note 8)	85	—	—	—	—	85	—	85
Stock option expense	—	—	79	—	—	79	—	79
Excess of proceeds on repurchase of non-controlling interests (note 7)	—	—	—	(51,567)	—	(51,567)	(25,296)	(76,863)
Contribution of non-controlling shareholders (note 7)	—	—	—	—	—	—	2,058	2,058
BALANCE AS AT MARCH 31, 2015	347,918	14,379	8,345	57,714	(61,902)	366,454	11,538	377,992

Three-month period ended March 31

2014

(in thousands of Canadian dollars) (unaudited)	Equity attributable to shareholders							
	Capital stock	Equity component of convertible debentures	Contributed surplus	Retained earnings (loss)	Accumulated other comprehensive loss	Total	Non-controlling shareholders	Total equity
BALANCE AS AT JANUARY 1, 2014	223,079	14,379	7,730	140,575	(29,315)	356,448	29,686	386,134
Net earnings	—	—	—	7,951	—	7,951	1,432	9,383
Other comprehensive income (loss)	—	—	—	—	(2,848)	(2,848)	622	(2,226)
COMPREHENSIVE INCOME (LOSS)	—	—	—	7,951	(2,848)	5,103	2,054	7,157
Dividends (note 8)	—	—	—	(4,923)	—	(4,923)	—	(4,923)
Conversion of convertible debentures	16	—	—	—	—	16	—	16
Options exercised (note 8)	4,206	—	—	—	—	4,206	—	4,206
Stock option expense	—	—	121	—	—	121	—	121
Excess of proceeds on repurchase of non-controlling interests	—	—	—	(5)	—	(5)	(2)	(7)
Contribution of non-controlling shareholders (note 7)	—	—	—	—	—	—	3,837	3,837
BALANCE AS AT MARCH 31, 2014	227,301	14,379	7,851	143,598	(32,163)	360,966	35,575	396,541

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Cash Flows

(in thousands of Canadian dollars) (unaudited)	Note	Three-month periods ended March 31 2015	2014
Net earnings		8,053	9,383
Less: Net earnings from discontinued operations		—	839
Net earnings from continuing operations		8,053	8,544
Distributions received from a Joint Venture	5	9,550	—
Financing costs		17,526	13,693
Interest paid		(14,057)	(11,793)
Income tax expense		2,111	4,846
Income taxes paid		(449)	(856)
Non-cash items in earnings:			
Net loss on financial instruments		4,376	919
Share in results of the Joint Ventures	5	(5,862)	(1,355)
Amortization		18,759	15,117
Other		194	211
		40,201	29,326
Change in non-cash items related to operating activities		8,866	4,442
NET CASH FLOWS RELATED TO OPERATING ACTIVITIES		49,067	33,768
Business acquisitions, net of cash acquired	4	(16,128)	—
Additions to property, plant and equipment		(31,328)	(10,026)
Change in restricted cash		2,862	1,452
Change in reserve funds		(175)	(28)
Development projects		(1,248)	(1,511)
Other		(1,510)	(505)
NET CASH FLOWS RELATED TO INVESTING ACTIVITIES		(47,527)	(10,618)
Net increase in non-current debt		14,678	1,073
Repayments on current and non-current debt		(127,095)	(16,449)
Contribution of non-controlling shareholders	7	2,058	1,522
Dividends paid to shareholders of Boralex	8	(6,232)	(4,923)
Proceeds from share issuance, net of transaction costs	8	118,427	—
Options exercised	8	85	4,206
Other		(90)	(40)
NET CASH FLOWS RELATED TO FINANCING ACTIVITIES		1,831	(14,611)
Cash from discontinued operations		—	1,215
TRANSLATION ADJUSTMENT ON CASH AND CASH EQUIVALENTS		670	2,135
NET CHANGE IN CASH AND CASH EQUIVALENTS		4,041	11,889
CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD		75,394	124,942
CASH AND CASH EQUIVALENTS - END OF PERIOD		79,435	136,831

The accompanying notes are an integral part of these consolidated financial statements.

Notes to Consolidated Financial Statements

As at March 31, 2015

(Tabular amounts are in thousands of Canadian dollars, unless otherwise specified) (unaudited)

Note 1. Incorporation and Nature of Business

Boralex Inc., its subsidiaries and its joint ventures (“Boralex” or the “Corporation”) are dedicated to the development, construction and operation of renewable energy power facilities. The Corporation has interests in 40 wind power stations, 15 hydroelectric power stations, two thermal power stations and a solar power facility representing an asset base with a total installed capacity of 1,130 megawatts (“MW”) of which 960 MW are under its control. Boralex is also committed under power development projects, both independently and with partners, to add 163 MW of power. The Corporation also operates two hydroelectric power stations on behalf of R.S.P. Hydro Inc., an entity of which two of the three shareholders, Richard and Patrick Lemaire, are directors of the Corporation. The generated power is sold mainly in Canada, France and the United States.

The Corporation is incorporated under the Canada Business Corporations Act. Boralex’s head office is located at 36 Lajeunesse St., Kingsey Falls, Québec, Canada and its shares and convertible debentures are listed on the Toronto Stock Exchange (“TSX”).

(The data expressed in MW and MWh contained in notes 1, 11 and 12 have not been reviewed by the auditors.)

Note 2. Basis of Presentation

These unaudited interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as published by the International Accounting Standards Board (“IASB”), and set out in the *CPA Canada Handbook*, including International Accounting Standards (“IAS”) and the interpretations of the IFRS Interpretations Committee (“IFRS IC”) applicable to the preparation of interim financial statements, IAS 34, *Interim Financial Reporting*. The accounting policies followed in these unaudited interim condensed consolidated financial statements are the same as those applied in the audited annual consolidated financial statements of the Corporation for the year ended December 31, 2014, except for income taxes for the interim periods, which were calculated using the tax rate that would be applicable to expected annual earnings for each jurisdiction. The Corporation has consistently applied the same accounting policies for all of the periods presented. As permitted under IAS 34, these interim financial statements do not constitute a complete set of financial statements, as the Corporation does not present all the notes included in its annual report. To avoid repetition of previously reported information, the Corporation deemed it unnecessary to include such information and, therefore, advises readers that these financial statements constitute a condensed set of financial statements under IAS 34. These unaudited interim condensed consolidated financial statements are intended to provide an update on the latest complete set of annual financial statements and should therefore be read in conjunction with the Corporation’s audited annual consolidated financial statements for the year ended December 31, 2014.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Corporation’s accounting policies. These areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in the audited consolidated financial statements of the Corporation for the year ended December 31, 2014.

The Board of Directors approved these unaudited interim condensed consolidated financial statements on May 5, 2015.

Note 3. Change in Accounting Policies

IAS 16, Property, plant and equipment, and IAS 38, Intangible assets

In May 2014, the IASB amended IAS 16, *Property, Plant and Equipment*, and IAS 38, *Intangible Assets*, to provide clarification of the acceptable methods of amortization under those standards. The use of revenue-based amortization is prohibited for property, plant and equipment. However, the use of this method remains acceptable for intangible assets, but is significantly limited. The amended standards must be applied prospectively for fiscal years beginning on or after January 1, 2016, with earlier adoption permitted. The Corporation assessed their impact and early adopted the standards as of January 1, 2015. Energy sales contracts for the South Glens Falls and Hudson Falls hydroelectric power stations in the United States were amortized using a method based on contract revenues. To comply with the amended standards, the aforementioned contracts are amortized prospectively on a straight-line basis over their remaining terms, namely 20 and 21 years or until 2034 and 2035, respectively. The annual impact of this change for South Glens Falls is a decrease in amortization expense for the years 2015 to 2024 of $290,000 (US$250,000) and an increase in amortization expense from 2025 to 2034 of $290,000 (US$250,000). The annual impact of this change for Hudson Falls is a decrease in amortization expense for the years 2015 to 2025 of $600,000 (US$520,000) and an increase in amortization expense from 2026 to 2035 of $660,000 (US$570,000).

Note 4. Business Combinations

Frampton Acquisition

On January 12, 2015, Boralex acquired an interest in the 24 MW Frampton community wind power project for a total amount of $12,097,000 in cash. The payment was made in two instalments, $11,097,000 in February 2015 and $1,000,000 in December 2014. Boralex has a 67% interest and the Municipality of Frampton has a 33% interest in the project, which is covered by a 20-year energy sales contract with Hydro-Québec. Construction on the project began in the first quarter of 2015 with commissioning anticipated within the next 12 months.

This transaction gave rise to acquisition costs of $226,000, which were expensed. This entity was acquired under Boralex's growth strategy through acquisitions aimed at expanding its market share in the Québec wind power market. The acquisition was accounted for by the Corporation using the acquisition method set out in IFRS 3, *Business Combinations*. The statement of financial position and the results of this acquired entity are consolidated as of January 12, 2015.

The following table shows the preliminary purchase price allocation:

	Preliminary allocation
	(in thousands of $)
Cash	4
Tax receivables	15
Property, plant and equipment under construction	592
Goodwill	11,493
Non-controlling shareholders	(3)
Net assets	12,101
Less:	
Cash at acquisition	4
Total consideration paid for the acquisition	12,097

The preliminary purchase price allocation was based on the fair value at the acquisition date. Following the final purchase price allocation, *Energy sales contracts*, *Goodwill* and *Deferred income tax liability* are the items likely to be adjusted.

Since the acquisition date, the acquired entity has contributed a nil amount to revenues from energy sales and generated non-significant net loss attributable to shareholders of Boralex as the project is under construction and the costs are capitalized.

Touvent Acquisition

On February 5, 2015, Boralex announced the closing of a transaction through which it acquired, through its subsidiary Boralex Europe S.A., 100% of the shares of an entity owning a 13.8 MW wind power project under development in France (the "Touvent" wind power project) which is covered by a 15-year energy sales contract with EDF, for a total cash consideration paid of $5,031,000 (€3,546,000). This transaction gave rise to non-significant acquisition costs, which were expensed. This entity was acquired under Boralex's growth strategy through acquisitions aimed at expanding its market share in the French wind power market.

The acquisition was accounted for by the Corporation using the acquisition method set out in IFRS 3, *Business Combinations*. The statement of financial position and the results of this acquired entity are consolidated as of February 5, 2015.

The following table shows the preliminary purchase price allocation:

	Preliminary allocation	
	(in thousands of $)	(in thousands of €)
Tax receivables	26	18
Property, plant and equipment	111	78
Development project	497	351
Goodwill	4,400	3,102
Current liabilities	(3)	(3)
Total consideration paid for the acquisition	5,031	3,546

The preliminary purchase price allocation was based on the fair value at the acquisition date and the exchange rate in effect at that date. Following the final purchase price allocation, *Energy sales contracts*, *Goodwill* and *Deferred income tax liability* are the items likely to be adjusted.

Since the acquisition date, the acquired entity has contributed a nil amount to revenues from energy sales and generated non-significant net loss attributable to shareholders of Boralex as the project is under construction and the costs are capitalized.

Note 5. Interests in the Joint Ventures

Joint Ventures Phases I and II

The Corporation entered into partnership agreements with a subsidiary of Gaz Métro L.P. and Valener Inc. and created Seigneurie de Beaupré Wind Farms 2 and 3 General Partnership (“Joint Venture Phase I”) and Seigneurie de Beaupré Wind Farm 4 General Partnership (“Joint Venture Phase II“) located in Canada, of which each party owns 50%. Under these agreements, all expenditures are made jointly and all earnings, costs, expenses, liabilities, obligations and risks resulting from the joint ventures are shared jointly but not severally. The Corporation’s interest in these joint ventures is accounted for using the equity method. The year-end date of these joint ventures is December 31. The Phase II wind farm was commissioned on December 1, 2014.

Joint Venture in Denmark

In July 2014, Boralex entered into a joint venture agreement with a Danish developer. The joint venture's goal is to develop an offshore wind farm in Denmark. In 2014, Boralex invested €1,818,000 ($2,656,000) to acquire a 50% share in the joint venture and to finance development activities.

Interests in the Joint Ventures

	Three-month period ended March 31				Twelve-month period ended December 31			
	2015				2014			
	Phase I	Phase II	Denmark	Total	Phase I	Phase II	Danemark	Total
Balance - beginning of period	67,287	21,627	2,569	91,483	75,442	15,438	—	90,880
Cash contribution	—	—	—	—	3,416	7,181	2,656	13,253
Share in net earnings (loss)	5,649	867	(1)	6,515	6,147	(45)	(3)	6,099
Share in other comprehensive loss	(9,011)	(1)	(21)	(9,033)	(17,718)	(794)	(84)	(18,596)
Distributions	(9,550)	—	—	(9,550)	—	—	—	—
Other	—	—	—	—	—	(153)	—	(153)
Balance - end of period	54,375	22,493	2,547	79,415	67,287	21,627	2,569	91,483

Financial Statements of Joint Ventures Phases I and II (100%)

	As at March 31,			As at December 31,		
	2015			2014		
	Phase I	Phase II	Total	Phase I	Phase II	Total
Cash and cash equivalents	13,041	3,276	16,317	21,534	1,367	22,901
Restricted cash	154	11,309	11,463	970	13,741	14,711
Other current assets	15,240	16,635	31,875	8,571	16,514	25,085
Non-current assets	667,943	180,372	848,315	676,785	182,050	858,835
TOTAL ASSETS	696,378	211,592	907,970	707,860	213,672	921,532
Current portion of debt	23,156	16,318	39,474	23,156	16,280	39,436
Other current liabilities	5,306	2,124	7,430	9,197	5,646	14,843
Non-current debt	457,735	134,656	592,391	456,914	135,430	592,344
Non-current financial liabilities	51,567	—	51,567	33,504	—	33,504
Other non-current liabilities	49,865	13,113	62,978	50,516	12,652	63,168
TOTAL LIABILITIES	587,629	166,211	753,840	573,287	170,008	743,295
NET ASSETS	108,749	45,381	154,130	134,573	43,664	178,237

	Three-month period ended March 31			Three-month period ended March 31		
	2015			2014		
	Phase I	Phase II	Total	Phase I	Phase II	Total
Revenues from energy sales	30,515	6,798	37,313	25,184	—	25,184
Operating expenses	3,587	830	4,417	3,198	—	3,198
Administrative	36	13	49	38	6	44
Amortization	8,817	2,247	11,064	8,499	—	8,499
Other gains	(642)	(164)	(806)	(645)	—	(645)
OPERATING INCOME (LOSS)	18,717	3,872	22,589	14,094	(6)	14,088
Financing costs (Interest income)	7,420	2,140	9,560	8,686	(102)	8,584
Foreign exchange loss (gain)	—	(2)	(2)	1	2	3
Net loss (gain) on financial instruments	—	—	—	1,459	(3)	1,456
NET EARNINGS	11,297	1,734	13,031	3,948	97	4,045
Total other comprehensive income (loss)	(18,022)	(1)	(18,023)	(12,078)	1,610	(10,468)
COMPREHENSIVE INCOME (LOSS)	(6,725)	1,733	(4,992)	(8,130)	1,707	(6,423)

Share in Earnings (Loss) of the Joint Ventures

The following table reconciles the total share in earnings of the Joint Ventures as reported in the consolidated statements of earnings of Boralex:

	Three-month period ended March 31				Three-month period ended March 31		
	2015				2014		
	Phase I	Phase II	Denmark	Total	Phase I	Phase II	Total
Share in results	5,649	867	(1)	6,515	1,974	48	2,022
Other [(1)]	(654)	1	—	(653)	(659)	(8)	(667)
Share in earnings (loss) of the Joint Ventures	4,995	868	(1)	5,862	1,315	40	1,355

(1) *Other* represents the amortization of Boralex's unrealized gains (losses) on financial swaps - interest rates designated for Phases I and II wind power projects. These unrealized gains (losses), which had been accumulated in *Accumulated other comprehensive loss* upon termination of the hedging relationships, are accounted for in net earnings over the life of the Joint Ventures' debt financing.

Share in Comprehensive Income (Loss) of the Joint Ventures

The following table reconciles the change in fair value of financial instruments of the Joint Ventures as reported in the consolidated statement of comprehensive income of Boralex:

	Three-month period ended March 31				Three-month period ended March 31		
	2015				2014		
	Phase I	Phase II	Denmark	Total	Phase I	Phase II	Total
Share in comprehensive income (loss)	(9,011)	(1)	(21)	(9,033)	(6,039)	805	(5,234)

Note 6. Non-current Debt

	Note	Maturity	Rate (1)	Currency of origin	As at March 31, 2015	As at December 31, 2014
Bridge facility	a)	—	—		—	100,000
Revolving credit facility		2018	3.49		104,240	110,561
Term loan payable – Ocean Falls power station		2024	6.55		8,675	8,848
Term loan payable – Thames River wind farms		2031	7.05		158,303	160,094
Term loan payable – Témiscouata I wind farm		2032	3.20		53,862	49,639
Term loan payable – Témiscouata II wind farm		2033	3.23		11,290	10,533
Term loan payable – Jamie Creek power station		2054	5.42		55,250	55,250
Other debt		—	—		6,649	6,776
CANADA					398,269	501,701
Finance leases (France)		2015	5.74	244	332	453
Term loan payable - Nibas wind farm		2016	5.00	1,809	2,463	2,883
Master agreement - wind farms (France)		2017-2025	4.66	96,376	131,216	142,811
Term loan payable - Cube	b)	2015-2019	6.50	56,000	76,244	—
Term loan payable – St-Patrick wind farm		2025	4.90	31,186	42,460	43,778
Term loan payable – Lauragais solar power station		2025-2028	4.00	10,555	14,371	15,105
Term loan payable – La Vallée wind farm		2028	4.42	31,382	42,726	45,207
Term loan payable – Fortel-Bonnières and St-François wind farms		2028-2029	3.58	61,465	83,684	77,848
Term loan payable – Vron wind farm		2030	3.34	10,659	14,512	15,189
Term loan payable – Boralex Énergie Verte (BEV) wind farms		2030	2.33	170,000	231,455	238,646
Other debt		—	—	4,104	5,587	5,989
FRANCE				473,780	645,050	587,909
U.S. senior secured note		2026	3.51	74,794	94,733	93,234
UNITED STATES				74,794	94,733	93,234
			4.30		1,138,052	1,182,844
Current portion of debt					(104,582)	(172,044)
Borrowing cost, net of accumulated amortization					(21,398)	(21,713)
					1,012,072	989,087

(1) Weighted average rates adjusted to reflect the impact of interest rate swaps, where applicable.

(a) To finance a portion of the BEV purchase price, on December 18, 2014, the Corporation entered into a $100,000,000 bridge facility with variable interest based on the prime rate plus 2.25%. This loan was repaid on January 12, 2015 using the proceeds from the sale of Class A common shares of Boralex (note 8 (d)).

(b) On February 27, 2015, the Corporation announced the closing of a financial settlement (the “Settlement”) whereby its partner Cube agreed to exchange its entire 25.33% equity interest in Boralex Europe for term loans. Under the Settlement, in consideration, Cube will receive a payment of €16,000,000, bearing interest at 5%-6.5%, payable by the end of 2015, and two term loans totalling €40,000,000 issued by two European subsidiaries of the Corporation and bearing interest at a fixed rate of 6.5%, with no repayments prior to maturity in January 2019.

Note 7. Non-controlling Shareholders

Boralex Europe S.A.

On February 27, 2015, the Corporation announced the closing of a financial settlement (the “Settlement”) whereby its partner Cube agreed to exchange its entire 25.33% equity interest in Boralex Europe for term loans as discussed in note 6. The excess of proceeds on the repurchase of non-controlling interests, amounting to $51,567,000, was recorded in *Retained earnings*.

Note that a $2,315,000 (€1,520,000) advance received from our European partner in 2013 was converted into an interest in the European operations in 2014.

Côte-de-Beaupré Wind Power Project

In 2015, our partner Côte-de-Beaupré RCM, which holds a 49% interest in the wind power project currently under development in Québec, made a cash contribution of $2 058 000 ($303,000 in 2014).

Témiscouata I Wind Power Project

In 2014, our partner Témiscouata RCM, which holds a 49% interest in the wind power project currently under development in Québec, made a cash contribution of $1,219,000.

Note 8. Net Earnings per Share

(a) Net Earnings per Share (Basic)

(in thousands of dollars, except per share amounts and number of shares)	Three-month periods ended March 31 2015	2014
Net earnings attributable to shareholders of Boralex	6,606	7,951
Less:		
Net earnings from discontinued operations	—	839
Net earnings (basic) from continuing operations attributable to shareholders of Boralex	6,606	7,112
Weighted average number of shares (basic)	47,759,276	37,980,635
Net earnings per share (basic) from continuing operations attributable to shareholders of Boralex	$0.14	$0.19
Net earnings per share (basic) from discontinued operations	—	$0.02
Net earnings per share (basic) attributable to shareholders of Boralex	$0.14	$0.21

(b) Net Earnings per Share (Diluted)

(in thousands of dollars, except per share amounts and number of shares)	Three-month periods ended March 31 2015	2014
Net earnings attributable to shareholders of Boralex	6,606	7,951
Interest on convertible debentures, net of tax	3,356	3,317
Less:		
Net earnings from discontinued operations	—	839
Net earnings (diluted) from continuing operations attributable to shareholders of Boralex	9,962	10,429
Weighted average number of shares	47,759,276	37,980,635
Dilutive effect of stock options	1,285,069	238,748
Dilutive effect of convertible debentures	20,362,834	19,776,766
Weighted average number of shares (diluted)	69,407,179	57,996,149
Net earnings per share (diluted) from continuing operations attributable to shareholders of Boralex	$0.14	$0.18
Net earnings per share (diluted) from discontinued operations	—	$0.02
Net earnings per share (diluted) attributable to shareholders of Boralex	$0.14	$0.20

The table below shows the items that could dilute basic net earnings per common share in the future, but that were not reflected in the calculation of diluted net earnings per common share due to their anti-dilutive effect:

	Three-month periods ended March 31 2015	2014
Stock options excluded due to their anti-dilutive effect	257,248	281,795

(c) Dividends Paid

On March 16, 2015, the Corporation paid a dividend of $0.13 per common share for a total amount of $6,232,000 ($4,923,000 in 2014). An additional dividend of $0.13 per common share was declared on May 5, 2015 and will be paid on June 15, 2015.

(d) Share Issued

On January 12, 2015, Boralex announced the closing of the offering via an underwriting agreement of Class A common shares of Boralex for gross proceeds of $110,011,000. The offering was carried out by a syndicate of underwriters who purchased an aggregate of 8,430,000 common shares of the Corporation at a price of $13.05 per share. The common shares were offered under a simplified prospectus dated January 5, 2015 in all Canadian provinces. The offering proceeds were used to fully repay the $100,000,000 bridge facility (note 6).

On January 30, 2015, Boralex announced the exercise of 85% of the over-allotment option under the aforementioned public offering. The syndicate of underwriters purchased 1,075,000 shares at a price of $13.05 per share for gross proceeds to Boralex of $14,029,000.

These capital increases generated gross proceeds of $124,040,000 and net proceeds of $119,562,000 (net of issuance costs and related taxes).

(e) Options Exercised

During the three-month period ended March 31, 2015, 11,307 stock options held by current and past senior executives were exercised and a total amount of $85,000 was paid to the Corporation (551,538 stock options exercised totalling $4,206,000 in 2014).

Note 9. Financial Instruments

The classification of financial instruments, complete with the respective carrying amounts and fair values, is as follows:

	As at March 31, 2015		As at December 31, 2014	
	Carrying amount	Fair value	Carrying amount	Fair value
OTHER LIABILITIES				
Non-current debt	1,116,654	1,211,794	1,161,131	1,234,873
Convertible debentures (including equity portion)	248,277	279,212	247,356	272,264

The fair value of the derivative financial instruments designated as cash flow hedges is as follows:

	As at March 31, 2015	As at December 31, 2014
OTHER CURRENT FINANCIAL ASSETS		
Foreign exchange forward contracts	4,527	1,213
OTHER NON-CURRENT FINANCIAL ASSETS		
Foreign exchange forward contracts	5,878	3,230
OTHER CURRENT FINANCIAL LIABILITIES		
Financial swaps - interest rates	40,938	34,116
OTHER NON-CURRENT FINANCIAL LIABILITIES		
Financial swaps - interest rates	32,003	31,254
Foreign exchange forward contracts	643	2,368
	32,646	33,622

The fair value of a financial instrument is the amount of consideration that would be agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash and cash equivalents, restricted cash, trade and other receivables, reserve funds, and trade and other payables approximate their carrying amounts due to their short-term maturities.

The fair value of non-current debt is essentially based on the calculation of discounted cash flows. Discount rates, ranging from 0.82% and 4.38%, were determined based on local government bond yields adjusted for the risks specific to each of the borrowings and for credit market liquidity conditions. The convertible debentures are traded on the stock exchange and their fair values are based on the prices as at March 31, 2015.

Financial Swaps - Interest Rates

Cash flows are discounted using a curve that reflects the credit risk of the Corporation or the counterparty, as applicable. The following table summarizes the Corporation's commitments under interest rate swaps as at March 31, 2015:

As at March 31, 2015	Currency	Fixed-rate payer	Floating-rate receiver	Maturity	Current notional (in C$)	Fair value (in C$)
Financial swaps - interest rates	EUR	0.93%–5.16%	6-month Euribor	2015-2030	323,782	(32,003)
Financial swaps - interest rates	CAD	5.40%–5.78%	3-month CDOR	2033-2055	98,447	(40,938)

Financial swaps - interest rates denominated in Canadian dollars contain an early termination clause that is mandatory in 2015. As a result, they are presented as current financial liabilities.

Foreign Exchange Forward Contracts

The fair values of foreign exchange forward contracts are determined using a generally accepted technique, namely the discounted value of the difference between the value of the contract at expiry calculated using the contracted exchange rate and the value determined using the exchange rate the financial institution would use if it renegotiated the same contract under the same conditions as at the statement of financial position date. Discount rates are adjusted for the credit risk of the Corporation or of the counterparty, as applicable. When determining credit risk adjustments, Boralex considers offsetting agreements, if any.

As at March 31, 2015	Exchange rate	Maturity	Current notional (in C$)	Fair value (in C$)
Foreign exchange forward contracts (€ for C$)	1.4397-1.5475	2015-2025	189,249	9,762

Hierarchy of Financial Assets and Liabilities Measured at Fair Value

The fair value of a financial instrument is the amount of consideration that would be agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act. Financial instruments measured at fair value in the financial statements are classified according to the following hierarchy of levels:

- Level 1: Consists of measurements based on quoted prices (unadjusted) in markets for identical assets or liabilities;
- Level 2: Consists of measurement techniques based mainly on inputs, other than quoted prices, that are observable either directly or indirectly in the market;
- Level 3: Consists of measurement techniques that are not based mainly on observable market data.

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety shall be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

The Corporation classified the convertible debentures as Level 1, as their fair values are determined using quoted market prices.

For non-current debt, financial swaps - interest rates, and the foreign exchange forward contracts, the Corporation classified the fair value measurements as Level 2, as they are based mainly on observable market data, namely government bond yields, interest rates and exchange rates.

The following table classifies the Corporation's financial instruments by level in the fair value hierarchy:

		Fair value hierarchy levels		
	As at March 31, 2015	Level 1	Level 2	Level 3
FINANCIAL ASSETS				
Foreign exchange forward contracts	10,405	—	10,405	—
OTHER LIABILITIES				
Non-current debt	1,211,794	—	1,211,794	—
Convertible debentures	279,212	279,212	—	—
	1,491,006	279,212	1,211,794	—
FINANCIAL LIABILITIES				
Financial swaps - interest rates	72,941	—	72,941	—
Foreign exchange forward contracts	643	—	643	—
	73,584	—	73,584	—

		Fair value hierarchy levels		
	As at December 31, 2014	Level 1	Level 2	Level 3
FINANCIAL ASSETS				
Foreign exchange forward contracts	4,443	—	4,443	—
OTHER LIABILITIES				
Non-current debt	1,234,873	—	1,234,873	—
Convertible debentures	272,264	272,264	—	—
	1,507,137	272,264	1,234,873	—
FINANCIAL LIABILITIES				
Financial swaps - interest rates	65,370	—	65,370	—
Foreign exchange forward contracts	2,368	—	2,368	—
	67,738	—	67,738	—

Note 10. Commitments

The commitments are discussed in Boralex's Annual Report for the fiscal year ended December, 31 2014. During the three-month period ended March 31, 2015, the Corporation entered into the following new commitments:

Frampton Wind Power Project

In March 2015, the Corporation entered into a 15-year wind turbine maintenance contract expiring in 2030 for the Frampton wind power project. The contract includes a cancellation option at the Corporation’s discretion after seven years. The Corporation’s net commitment under this contract amounts to $5,602,000, taking into account only the first seven years of the contract.

In March 2015, the Corporation entered into a wind turbine construction and installation contract for the Frampton wind power project for a total amount of $48,315,000. Expenditures will be made according to the percentage of completion.

Touvent Wind Power Project

At the time of acquisition of the Touvent wind power project on February 5, 2015, the Corporation took over a wind turbine construction and installation contract for a total amount of $19,237,000 (€14,129,000). Expenditures will be made according to the percentage of completion.

Yellow Falls Hydroelectric Project

The Corporation has entered into an engineering contract for the Yellow Falls hydroelectric project. The Corporation’s net commitment under this contract amounts to $911,000 as at March 31, 2015. Expenditures will be made according to the percentage of completion.

Note 11. Seasonal and Other Cyclical Factors

The Corporation's operations and results are partly subject to seasonal cycles and other cyclical factors that vary by segment. Since nearly all of Boralex facilities have long-term indexed fixed-price energy sales contracts, seasonal cycles mainly affect the total volume of power generated by the Corporation. Only five hydroelectric power stations in the United States, accounting for 2% of the Corporation's total installed capacity in operation, are not covered by long-term energy sales contracts.

Operating volumes at Boralex facilities are influenced by the following seasonal factors, depending on their specific power generation method.

Wind

For the wind power assets currently in operation in which Boralex's share totals 750 MW, wind conditions are usually more favourable in winter, which falls during Boralex's first and fourth quarters, both in France and Canada. However, in winter there is a greater risk of lower production caused by weather conditions, such as icing. In general, management estimates that approximately 60% of annual production in its wind power segment is generated in the first and fourth quarters and 40% in the second and third quarters.

Hydroelectric

For Boralex's hydroelectric assets in operation totalling 158 MW, power output depends on water flow, which in Canada and the Northeastern United States is typically at a maximum in spring and high in the fall, in Boralex's second and fourth quarters, respectively. Historically, water flow tends to decrease in winter and summer. In general, management estimates that approximately 60% of annual production in its hydroelectric power segment is generated in the second and fourth quarters and 40% in the first and third quarters. Note that apart from four hydroelectric power stations whose water flow is regulated upstream yet not under the Corporation's control, Boralex's other hydroelectric facilities do not have reservoirs that would permit water flow regulation during the year.

Thermal

Boralex owns and operates two thermal power stations for an aggregate 47 MW of installed capacity. Of the two, the Senneterre power station in Québec, Canada is fuelled by wood-residue and is covered by a Hydro-Québec energy sales contract expiring in 2027. The Corporation has entered into an agreement with Hydro-Québec covering the years 2014 to 2018 under which the Senneterre power station is limited to producing power eight months per year, from December to March and from June to September. During the term of this agreement, the Senneterre power station will receive financial compensation from Hydro-Québec which will allow it to anticipate profitability akin to recent-year performance.

Boralex also operates a natural gas-fired power station located in Blendecques, France. For the past several years, due to specific market conditions, this power station operates its cogeneration equipment five months of the year, from November to March, which represents all of Boralex's first quarter and part of its fourth quarter. During the electricity production shutdown period, steam continues to be produced for the power station's industrial client using an auxiliary boiler.

Solar

The Corporation's only solar power station, of 5 MW, currently in operation is located in Southwestern France. For this facility, which benefits from a long-term energy sales contract, sunlight conditions are usually more favourable in the spring and summer, which fall during Boralex's second and third quarters. In view of these weather conditions, management estimates that approximately 65% of the annual production at its solar power station will be generated in the second and third quarters.

Generally, while Boralex's performance in a given fiscal year remains partially exposed to seasonal cycles and other cyclical factors, substantially all of its revenues are derived from assets covered by indexed fixed-price contracts, thereby mitigating their effect. The Corporation also capitalizes on solid diversification in its power generation sources and favourable geographic positioning. Furthermore, Boralex gives priority to sound capital management to ensure financial health and flexibility to effectively manage the seasonality of its business. These factors will contribute to strong, stable results for Boralex in the coming years.

Note 12. Segmented Information

The Corporation's power stations are grouped into four distinct operating segments – wind, hydroelectric, thermal and solar power. The Corporation operates under one identifiable industry sector: power generation. The classification of these segments is based on the different cost structures relating to each of the four types of power stations. The same accounting rules are used for segmented information as for the consolidated accounts.

The operating segments are presented according to the same criteria used to prepare the internal report submitted to the segment leader who allocates resources and assesses operating segment performance. The President and Chief Executive Officer is considered the segment leader, who assesses segment performance based on power production, revenues from energy sales and EBITDA.

EBITDA does not have a standardized meaning under IFRS; accordingly, it may not be comparable to similarly named measures used by other companies. Investors should not view EBITDA as an alternative measure to, for example, net earnings, or as a measure of operating results, which are IFRS measures.

EBITDA is reconciled to the most comparable IFRS measure, namely, net earnings, in the following table:

	Three-month periods ended March 31	
	2015	**2014**
Net earnings	8,053	9,383
Net earnings from discontinued operations	—	(839)
Income tax expense	2,111	4,846
Net loss on financial instruments	4,376	919
Foreign exchange loss (gain)	1,006	(341)
Financing costs	17,526	13,693
Other gains	(77)	(573)
Amortization	18,759	15,117
EBITDA	51,754	42,205

Information by Operating Segment

	Three-month periods ended March 31 2015	2014	2015	2014
	Power production (MWh)		Revenues from energy sales	
Wind power stations	385,895	264,859	48,712	35,356
Hydroelectric power stations	113,587	123,587	12,584	13,996
Thermal power stations	59,155	71,116	10,736	12,976
Solar power station	1,038	1,185	485	602
	559,675	460,747	72,517	62,930
	EBITDA		Additions to property, plant and equipment	
Wind power stations	44,586	32,211	29,981	3,117
Hydroelectric power stations	9,247	10,167	502	4,542
Thermal power stations	4,525	4,572	395	2,194
Solar power station	404	491	16	—
Corporate and eliminations	(7,008)	(5,236)	434	173
	51,754	42,205	31,328	10,026

	As at March 31, 2015	As at December 31, 2014
Total assets		
Wind power stations	1,298,324	1,326,133
Hydroelectric power stations	461,881	458,540
Thermal power stations	40,670	40,332
Solar power station	18,351	20,139
Corporate	106,528	72,815
	1,925,754	1,917,959
Total liabilities		
Wind power stations	888,042	896,996
Hydroelectric power stations	184,423	183,782
Thermal power stations	14,202	14,466
Solar power station	15,436	16,175
Corporate	445,659	470,221
	1,547,762	1,581,640

Note 12. Segmented Information (cont'd)

Information by Geographic Segment

	Three-month periods ended March 31			
	2015	2014	2015	2014
	Power production (MWh)		Revenues from energy sales	
Canada	183,591	170,983	23,672	21,835
France	307,162	206,078	42,101	32,146
United States	68,922	83,686	6,744	8,949
	559,675	460,747	72,517	62,930
	EBITDA		Additions to property, plant and equipment	
Canada	19,884	14,391	8,492	6,135
France	27,171	21,083	22,809	3,829
United States	4,699	6,731	27	62
	51,754	42,205	31,328	10,026

	As at March 31, 2015	As at December 31, 2014
Total assets		
Canada	814,780	778,165
France	913,689	952,148
United States	197,285	187,646
	1,925,754	1,917,959
Non-current assets, excluding *Interests in the Joint Ventures* and *Deferred income tax asset*		
Canada	646,102	622,064
France	852,959	866,986
United States	177,247	165,087
	1,676,308	1,654,137
Total liabilities		
Canada	702,266	765,528
France	704,352	677,994
United States	141,144	138,118
	1,547,762	1,581,640

Note 13. Subsequent Events

Buckingham Hydroelectric Power Station

Since April 24, 2015, the Corporation has a commitment totalling $8,100,000 for the Buckingham hydroelectric power station dam repair work required under the Dam Safety Act. Expenditures will be made according to the percentage of completion.

Montfort Peyruis Project

In April 2015, the Corporation entered into a contract for the construction of the connection grid for a total amount of $1,500,000 (€1,100,000) for the Montfort Peyruis solar power project. Expenditures will be made according to the percentage of completion.

Closing of financing for the Calmont wind power project

On April 3, 2015, the Corporation completed the long-term financing arrangement for the Calmont wind farm in France. The loan, secured by the assets of this wind farm, comprises an amount of €21,000,000 ($28,780,000) and a €3,500,000 ($4,800,000) revolving facility. The €21,000,000 loan will be fully amortized in quarterly payments over a 15-year period. The first quarterly payment will be made three months after the commissioning, which is expected to take place by the end of 2015. The interest rate for the €21,000,000 loan is variable and is based on EURIBOR, plus a margin. To reduce its exposure to changes in interest rates, the Corporation intends to use interest rate swaps to cover a minimum of 70% of this loan over its full term.

Frampton Project

On April 30, 2015, the Corporation entered into an agreement for the Frampton wind power project's transformer substation and control building for an amount totalling $3,200,000. Expenditures will be made according to the percentage of completion.

New York State Dam - Hydroelectric 11.5 MW // United States
Avignonet-Lauragais - Wind 12.6 MW, Solar 5 MW // France