



Financial Review

2nd quarter 2009

August 7, 2009

DISCLAIMER

Forward-looking statement

Certain statements in this presentation, including those regarding future results and performance, are forward-looking statements based on current expectations. The accuracy of such statements is subject to a number of risks, uncertainties and assumptions that may cause actual results to differ materially from those projected, including, but not limited to, the effect of general economic conditions on market and industry, increases in raw material costs, changes in the relative values of certain currencies, fluctuations in selling prices, and other factors listed in the Company's filings with different securities commissions.

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



Mr. Patrick Lemaire

*President and
Chief Executive Officer
Boralex Inc.*

Highlights

Q2 2009

- ▲ Increased production in the wind, hydro and wood-residue segments.
- ▲ Higher revenues, EBITDA, cash-flows from operations and net earnings per share.
- ▲ Boralex's portfolio of forward electricity contracts in the wood-residue segment mitigated the negative impact of lower spot prices in the US Northeast. A significant portion of the sales for the second semester of 2009 within this segment is either contracted or hedged above current market prices.
- ▲ Boralex continues to be rewarded from its strategy in regards to the qualification of its wood-residue plants for the Connecticut REC market. As at July 22, 2009, Boralex had more than US\$30 million of RECs sold for the period of July 2009 to December 2012 including approximately 90% of its expected remaining 2009 production.
- ▲ Boralex continues to grow, starting up its Ocean Falls hydro facility and acquiring a new wind site in France for an additional 9 MW of capacity and it is expected to be commissioned in Q2 2010. Additionally the four wind sites currently under construction in Ontario (40 MW) will be, as expected, completely commissioned in Q4 2009.

Summary

Q2 2009

Selected financial and operational data <i>(in thousands of dollars, except production and per share amounts)</i>	Q2 2009	Q2 2008
Production (MWh)	353,967	334,955
Revenue from energy sales	41,756	39,664
EBITDA	12,942	12,576
Net earnings	1,817	1,101
Net earnings per share basic	\$0.05	\$0.03
Cash-flows from operations	11,577	9,427
Cash-flows from operations per share	\$0.31	\$0.25

Summary

YTD 2009

Selected financial and operational data <i>(in thousands of dollars, except production and per share amounts)</i>	YTD 2009	YTD 2008
Production (MWh)	769,695	804,558
Revenue from energy sales	98,954	94,119
EBITDA	33,895	36,466
Net earnings	9,029	10,333
Net earnings per share basic	\$0.24	\$0.27
Cash-flows from operations	26,900	30,175
Cash-flows from operations per share	\$0.71	\$0.80



Mr. Jean-François Thibodeau

*Vice President and
Chief Financial Officer
Boralex Inc.*

EBITDA by segment

Q2 2009

	Q2 2009	Q2 2008	Variation
<i>(in thousands of dollars)</i>			
Wind	6,242	5,043	↗
Hydroelectricity	1,785	2,391	↘
Wood-residue	8,148	6,795	↗
Natural gas	(145)	(204)	↗
	16,030	14,025	↗
Corporate and eliminations	(3,088)	(1,449)	↘
Consolidated EBITDA	12,942	12,576	↗

EBITDA by segment

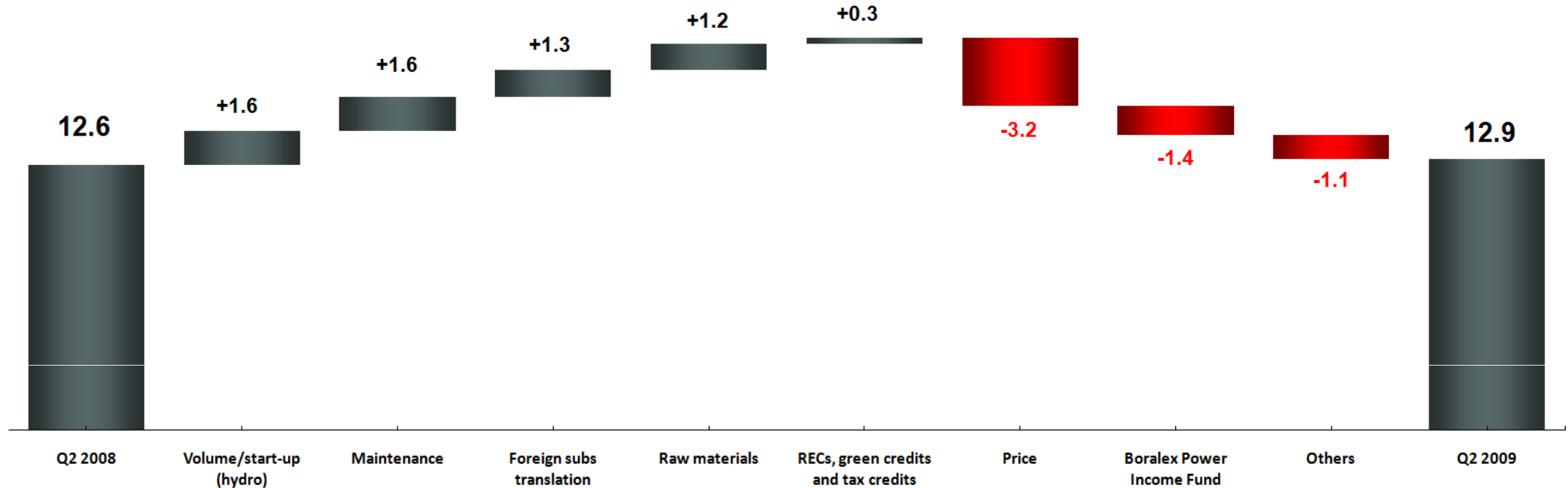
YTD 2009

(in thousands of dollars)

	YTD 2009	YTD 2008	Variation
Wind	13,456	13,547	↙
Hydroelectricity	3,494	5,425	↙
Wood-residue	19,951	17,866	↗
Natural gas	1,366	1,117	↗
	38,267	37,955	↗
Corporate and eliminations	(4,372)	(1,489)	↙
Consolidated EBITDA	33,895	36,466	↙

EBITDA – Variance analysis

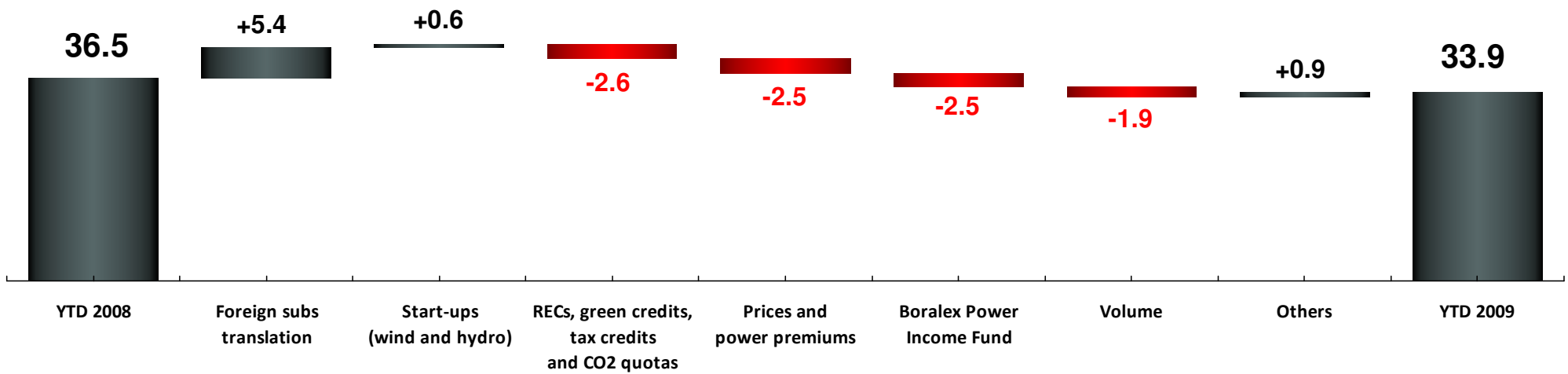
Q2 2009 vs Q2 2008



(in millions of dollars)

EBITDA – Variance analysis

YTD 2009 vs 2008



(in millions of dollars)

Segment review Q2 2009

Wind Energy

(in thousands of dollars, except production)

	Q2 2009	Q2 2008
Production (MWh)	55,157	47,331
Revenue from energy sales	8,018	6,677
EBITDA	6,242	5,043

- ▲ Total production was 17 % higher given generally more favourable wind conditions.
- ▲ The sector benefited from the yearly indexation of electricity prices which explains \$200 K of additional revenue and EBITDA.
- ▲ On July 16, Boralex announced the acquisition of the eighth wind farm in France increasing the sector's total capacity by 9 MW. Commissioning is expected for Q2 2010.
- ▲ The construction of the first 40 MW of capacity in Ontario is progressing as planned. Full commissioning is expected in Q4 2009.

Segment review Q2 2009

Hydroelectricity

(in thousands of dollars, except production)	Q2 2009	Q2 2008
Production (MWh)	41,066	32,322
Revenue from energy sales	2,842	3,200
EBITDA	1,785	2,391

- ▲ **Production which was 27% higher than Q2 2008.**
- ▲ **The start-up in April 2009 of the 2 MW Ocean Falls (BC) facility explains \$500 K of additional revenue and \$400 K of additional EBITDA. Notwithstanding this contribution, production was 10% above historical averages.**
- ▲ **The average selling prices in the USA have decreased more than 50 % which explains a \$1.7 M negative variance in both revenue and EBITDA.**
- ▲ **The US dollar appreciation explains a positive EBITDA difference of \$400 K while the sale of RECs in a voluntary New York state program have grossed \$200 K.**

Segment review Q2 2009

Thermal energy: wood-residue

(in thousands of dollars, except production)

	Q2 2009	Q2 2008
Production (MWh)	257,714	255,226
Revenue from energy sales	28,338	27,113
EBITDA	8,148	6,795

- ▲ Total production increased by 1%, compared to the second quarter of 2008, while revenues were 5% higher and EBITDA close to 20% more.
- ▲ The reduction of 9% of the average selling price in northeast USA, including the positive impact of forward electricity sales and the Fort Fairfield contract had an impact of \$1.5 M.
- ▲ Lower REC prices and transmission costs had an impact of \$1 M on revenues and \$600 K on EBITDA.
- ▲ The appreciation of the US dollar explains a \$900 K positive difference on EBITDA.
- ▲ Other factors explaining the EBITDA increase include lower maintenance expenses (\$1.6 M), lower wood-residue costs (\$900 K) and an increase for the year 2009 in the production tax credit from US\$10 to US\$11 per MWh (\$700 K).

Segment review Q2 2009

Thermal energy: natural gas

(in thousands of dollars, except steam production)	Q2 2009	Q2 2008
Steam ('000 lbs)	126,330	118,897
Revenue from energy sales	2,558	2,675
EBITDA	(145)	(204)

- ▲ The electricity production was stopped at the beginning of April and is scheduled to restart at the end of October, as in the past four years. Steam production increased by 6%.
- ▲ A 11% reduction in steam prices (\$300 K) was compensated by a corresponding decrease in natural gas costs.
- ▲ Lower maintenance expenses (\$100 K) explains the remaining difference.



Question period