

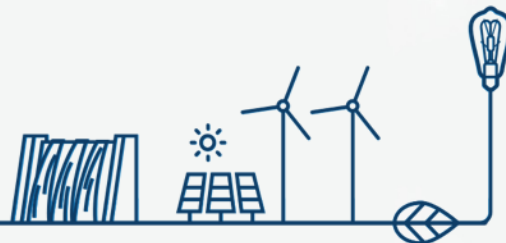


Renewable Energy.  
Sustainable Development.

## Third Quarter 2020

Conference Call & Webcast

November 11, 2020



# FORWARD-LOOKING INFORMATION

To inform readers of the Corporation's future prospects, this document contains forward-looking information within the meaning of applicable securities laws ("Forward-Looking Information"), including the Corporation's power production, prospective projects, successful development, construction and financing (including tax equity funding) of the projects under construction and the advanced-stage prospective projects, sources and impact of funding, project acquisitions, execution of non-recourse project-level financing (including the timing and amount thereof), and strategic, operational and financial benefits and accretion expected to result from such acquisitions, business strategy, future development and growth prospects (including expected growth opportunities under the Strategic Alliance with Hydro-Québec), business integration, governance, business outlook, objectives, plans and strategic priorities, and other statements that are not historical facts. Forward-Looking Information can generally be identified by the use of words such as "approximately", "may", "will", "could", "believes", "expects", "intends", "should", "would", "plans", "potential", "project", "anticipates", "estimates", "scheduled" or "forecasts", or other comparable terms that state that certain events will or will not occur. It represents the projections and expectations of the Corporation relating to future events or results as of the date of this document.

**Future-oriented financial information:** Forward-Looking Information includes future-oriented financial information or financial outlook within the meaning of securities laws, including information regarding the Corporation's expected production, the estimated project costs, projected revenues, projected Adjusted EBITDA and projected Adjusted EBITDA Proportionate, Projected Free Cash Flow and intention to pay dividend quarterly, the estimated project size, costs and schedule, including obtainment of permits, start of construction, work conducted and start of commercial operation for Development Projects and Prospective Projects, the Corporation's intent to submit projects under Requests for Proposals, the qualification of U.S. projects for PTCs and ITCs and other statements that are not historical facts. Such information is intended to inform readers of the potential financial impact of expected results, of the expected commissioning of Development Projects, of the potential financial impact of completed and future acquisitions and of the Corporation's ability to sustain current dividends and to fund its growth. Such information may not be appropriate for other purposes.

**Assumptions:** Forward-Looking Information is based on certain key assumptions made by the Corporation, including, without restriction, those concerning hydrology, wind regimes and solar irradiation, performance of operating facilities, project performance, economic, financial and financial market conditions, the Corporation's success in developing and constructing new facilities, expectations and assumptions concerning availability of capital resources and timely performance by third parties of contractual obligations and receipt of regulatory approvals.

**Risks and Uncertainties:** Forward-Looking Information involves risks and uncertainties that may cause actual results or performance to be materially different from those expressed, implied or presented by the Forward-Looking Information. These are referred to in the "Risks and Uncertainties" section of the Annual Report and include, without limitation: the ability of the Corporation to execute its strategy for building shareholder value; its ability to raise additional capital and the state of the capital markets; liquidity risks related to derivative financial instruments; variability in hydrology, wind regimes and solar irradiation; delays and cost overruns in the design and construction of projects; the ability to secure new power purchase agreements or renew any power purchase agreement; fluctuations affecting prospective power prices; health, safety and environmental risks; uncertainties surrounding the development of new facilities; obtainment of permits; equipment failure or unexpected operations and maintenance activity; interest rate fluctuations and refinancing risk; financial leverage and restrictive covenants governing current and future indebtedness; the possibility that the Corporation may not declare or pay a dividend; failure to realize the anticipated benefits of acquisitions; integration of the completed and future acquisitions; changes in governmental support to increase electricity to be generated from renewable sources by independent power producers; variability of installation performance and related penalties; the ability to attract new talent or to retain officers or key employees; litigation; performance of major counterparties; social acceptance of renewable energy projects; relationships with stakeholders; equipment supply; exposure to many different forms of taxation in various jurisdictions; changes in general economic conditions; regulatory and political risks; ability to secure appropriate land; reliance on PPAs; availability and reliability of transmission systems (including due to reliance on third parties); foreign market growth and development risks; foreign exchange fluctuations; increases in water rental cost or changes to regulations applicable to water use; assessment of water, wind and solar resources and associated electricity production; global climate change; natural disasters and force majeure; cybersecurity; sufficiency of insurance coverage; a credit rating that may not reflect actual performance of the Corporation or a lowering (downgrade) of the credit rating; reliance on shared transmission and interconnection infrastructure; the fact that revenues from certain facilities will vary based on the market (or spot) price of electricity; risks related to U.S. production and investment tax credits; changes in U.S. corporate tax rates and availability of tax equity financing; host country economic, social and political conditions; risk inherent to rockslides, avalanches, tornadoes, hurricanes or other occurrences outside the Corporation's control; adverse claims to property title; unknown liabilities; reliance on intellectual property and confidential agreements to protect our rights and confidential information; and reputational risks arising from misconduct of representatives of the Corporation.

To combat the spread of the COVID-19, authorities in all regions where we operate have put in place restrictive measures for businesses. However, these measures have not impacted the Corporation in a material way to date as electricity production has been deemed essential service in every region where we operate. Only BC Hydro sent curtailment notices for some hydro facilities that the Corporation disputes. Our renewable power production is sold mainly through PPAs to solid counterparts. It is not excluded that current or future restrictive measures might have an adverse effect on the financial stability of the Corporation's suppliers and other partners, or on the Corporation's operating results and financial position. The issuance of permits and authorizations, negotiations and finalizations of agreements with regards to development and acquisition projects, construction activities and procurement of equipment could be adversely impacted by the COVID-19 restrictive measures.

Although the Corporation believes that the expectations and assumptions on which Forward-Looking Information is based are reasonable under the current circumstances, readers are cautioned not to rely unduly on this Forward-Looking Information, as no assurance can be given that it will prove to be correct. Forward-Looking Information contained herein is provided as at the date of this document, and the Corporation does not undertake any obligation to update or revise any Forward-Looking Information, whether as a result of events or circumstances occurring after the date hereof, unless so required by law.

# FORWARD-LOOKING INFORMATION

The following table outlines the Forward-Looking Information contained in this document, which the Corporation considers important to better inform readers about its potential financial performance, together with the principal assumptions used to derive this information and the principal risks and uncertainties that could cause actual results to differ materially from this information.

Principal Assumptions	Principal Risks and Uncertainties
<p><b>EXPECTED PRODUCTION</b></p> <p>For each facility, the Corporation determines a long-term average annual level of electricity production (“LTA”) over the expected life of the facility, based on engineers’ studies that take into consideration a number of important factors: for hydroelectricity, the historically observed flows of the river, the operating head, the technology employed and the reserved aesthetic and ecological flows; for wind energy, the historical wind and meteorological conditions and turbine technology; and for solar energy, the historical solar irradiation conditions, panel technology and expected solar panel degradation. Other factors considered include, without limitation, site topography, installed capacity, energy losses, operational features and maintenance. Although production will fluctuate from year to year, over an extended period it should approach the estimated LTA.</p> <p>On a consolidated basis, the Corporation estimates its LTA by adding together the expected LTAs of all the Operating Facilities that it consolidates. This consolidation excludes, however, the facilities that are accounted for using the equity method.</p>	<p>Improper assessment of water, wind and solar resources and associated electricity production</p> <p>Variability in hydrology, wind regimes and solar irradiation resources</p> <p>Equipment supply risk, including failure or unexpected operations and maintenance activity</p> <p>Natural disasters and force majeure</p> <p>Regulatory and political risks affecting production</p> <p>Health, safety and environmental risks affecting production</p> <p>Variability of installation performance and related penalties</p> <p>Availability and reliability of transmission systems</p> <p>Litigation</p>
<p><b>PROJECTED REVENUES</b></p> <p>For each facility, expected annual revenues are estimated by multiplying the LTA by a price for electricity stipulated in the PPA secured with a public utility or other creditworthy counterparty. In most cases, these PPAs stipulate a base price for electricity produced and, in some cases, a price adjustment depending on the month, day and hour of its delivery. This excludes facilities that receive revenues based on the market (or spot) price for electricity, including the Foard City, Shannon and Flat Top wind farms, the Phoebe solar farm and the Miller Creek hydroelectric facility, which receives a price based on a formula using the Platts Mid-C pricing indices; and the Horseshoe Bend hydroelectric facility, for which 85% of the price is fixed and 15% is adjusted annually as determined by the Idaho Public Utility Commission. In most cases, PPAs also contain an annual inflation adjustment based on a portion of the Consumer Price Index.</p> <p>On a consolidated basis, the Corporation estimates annual revenues by adding together the projected revenues of the Operating Facilities that it consolidates. The consolidation excludes, however, the facilities that are accounted for using the equity method.</p>	<p>See principal assumptions, risks and uncertainties identified under “Expected Production”</p> <p>Reliance on PPAs</p> <p>Revenues from certain facilities will vary based on the market (or spot) price of electricity</p> <p>Fluctuations affecting prospective power prices</p> <p>Changes in general economic conditions</p> <p>Ability to secure new PPAs or renew any PPA</p>
<p><b>PROJECTED ADJUSTED EBITDA</b></p> <p>For each facility, the Corporation estimates annual operating earnings by adding (deducting) to net earnings (loss) income tax expense (recovery), finance costs, depreciation and amortization, other net income, share of (earnings) loss of joint ventures and associates and change in fair value of financial instruments.</p>	<p>See principal assumptions, risks and uncertainties identified under “Expected Production” and “Projected Revenues”</p> <p>Unexpected maintenance expenditures</p>
<p><b>PROJECTED ADJUSTED EBITDA PROPORTIONATE</b></p> <p>On a consolidated basis, the Corporation estimates annual Adjusted EBITDA Proportionate by adding to the projected Adjusted EBITDA Innergex’s share of Adjusted EBITDA of the operating joint ventures and associates, other revenues related to PTCs, and Innergex’s share of the other net income of the operating joint ventures and associates related to PTCs.</p>	<p>See principal assumptions, risks and uncertainties identified under “Expected Production”, “Projected Revenues” and “Projected Adjusted EBITDA”</p>
<p><b>QUALIFICATION FOR PTCs AND ITC AND EXPECTED TAX EQUITY INVESTMENT FLIP POINT</b></p> <p>For certain Development Projects in the United States, the Corporation has conducted on- and off-site activities expected to qualify its Development Projects for PTCs or ITC at the full rate and to obtain tax equity financing on such a basis. To assess the potential qualification of a project, the Corporation takes into account the construction work performed and the timing of such work. The expected Tax Equity Flip Point for tax equity investment is determined according to the LTAs and revenues of each such project and is subject in addition to the related risks mentioned above.</p>	<p>Risks related to U.S. PTCs and ITC, changes in U.S. corporate tax rates and availability of tax equity financing</p> <p>Regulatory and political risks</p> <p>Delays and cost overruns in the design and construction of projects</p> <p>Obtainment of permits</p>

# FORWARD-LOOKING INFORMATION

## Principal Assumptions

### INTENTION TO PAY DIVIDEND QUARTERLY

The Corporation estimates the annual dividend it intends to distribute based on the Corporation's operating results, cash flows, financial conditions, debt covenants, long-term growth prospects, solvency test imposed under corporate law for declaration of dividends and other relevant factors.

### ESTIMATED PROJECT COSTS, EXPECTED OBTAINMENT OF PERMITS, START OF CONSTRUCTION, WORK CONDUCTED AND START OF COMMERCIAL OPERATION FOR DEVELOPMENT PROJECTS OR PROSPECTIVE PROJECTS

For each Development Project and Prospective Project, the Corporation may provide (where available) an estimate of potential installed capacity, estimated storage capacity, estimated project costs, project financing terms and each project's development and construction schedule, based on its extensive experience as a developer, in addition to information directly related to incremental internal costs, site acquisition costs and financing costs, which are eventually adjusted for the projected costs and construction schedule provided by the engineering, procurement and construction ("EPC") contractor retained for the project.

The Corporation provides indications based on assumptions regarding its current strategic positioning and competitive outlook, as well as scheduling and construction progress, for its Development Projects and its Prospective Projects, which the Corporation evaluates based on its experience as a developer.

### INTENTION TO RESPOND TO REQUESTS FOR PROPOSALS

The Corporation provides indications of its intention to submit proposals in response to requests for proposals ("Request for Proposals" or "RFP") based on the state of readiness of some of its Prospective Projects and their compatibility with the announced terms of these RFPs.

## Principal Risks and Uncertainties

See principal assumptions, risks and uncertainties identified under "Expected Production", "Projected Revenues" and "Projected Adjusted EBITDA".

Possibility that the Corporation may not declare or pay a dividend

Uncertainties surrounding development of new facilities

Performance of major counterparties, such as suppliers or contractors

Delays and cost overruns in the design and construction of projects

Ability to secure appropriate land

Obtainment of permits

Health, safety and environmental risks

Ability to secure new PPAs or renew any PPA

Higher-than-expected inflation

Equipment supply

Interest rate fluctuations and financing risk

Risks related to U.S. PTCs and ITCs, changes in U.S. corporate tax rates and availability of tax equity financing

Regulatory and political risks

Natural disaster and force majeure

Relationships with stakeholders

Foreign market growth and development risks

Outcome of insurance claims

Social acceptance of renewable energy projects

Ability of the Corporation to execute its strategy of building shareholder value

Failure to realize the anticipated benefits of completed and future acquisitions

Changes in governmental support to increase electricity to be generated from renewable sources by independent power producers

COVID-19 restrictive measures

Regulatory and political risks

Ability of the Corporation to execute its strategy for building shareholder value

Ability to secure new PPAs

Changes in governmental support to increase electricity to be generated from renewable sources by independent power producers

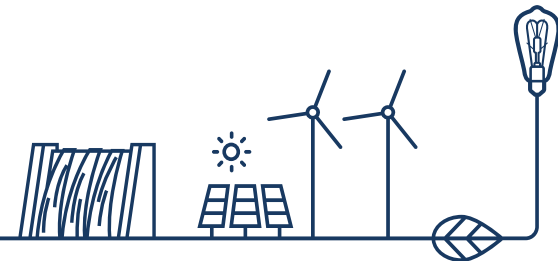
Social acceptance of renewable energy projects

Relationships with stakeholders

# AGENDA

1. Q3 2020 Financial Highlights
  2. Q3 2020 Results
  3. Other Subsequent Financial Event
  4. Q3 2020 Corporate Development
5. Construction Activities
  6. Development Activities
  7. Question Period
- Appendix: Non-IFRS Measures

Note: All amounts in this presentation are in Canadian dollars, unless otherwise indicated



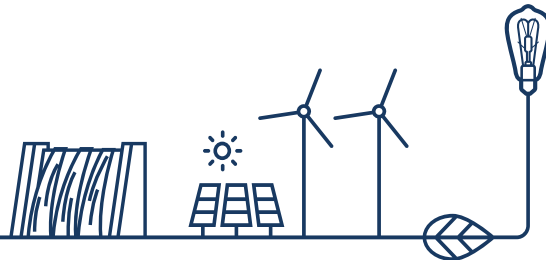




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# Jean-François Neault CPA, CMA, MBA

## Chief Financial Officer



# 1. Q3 2020 | FINANCIAL HIGHLIGHTS

In millions of Canadian dollars  
From continuing operations

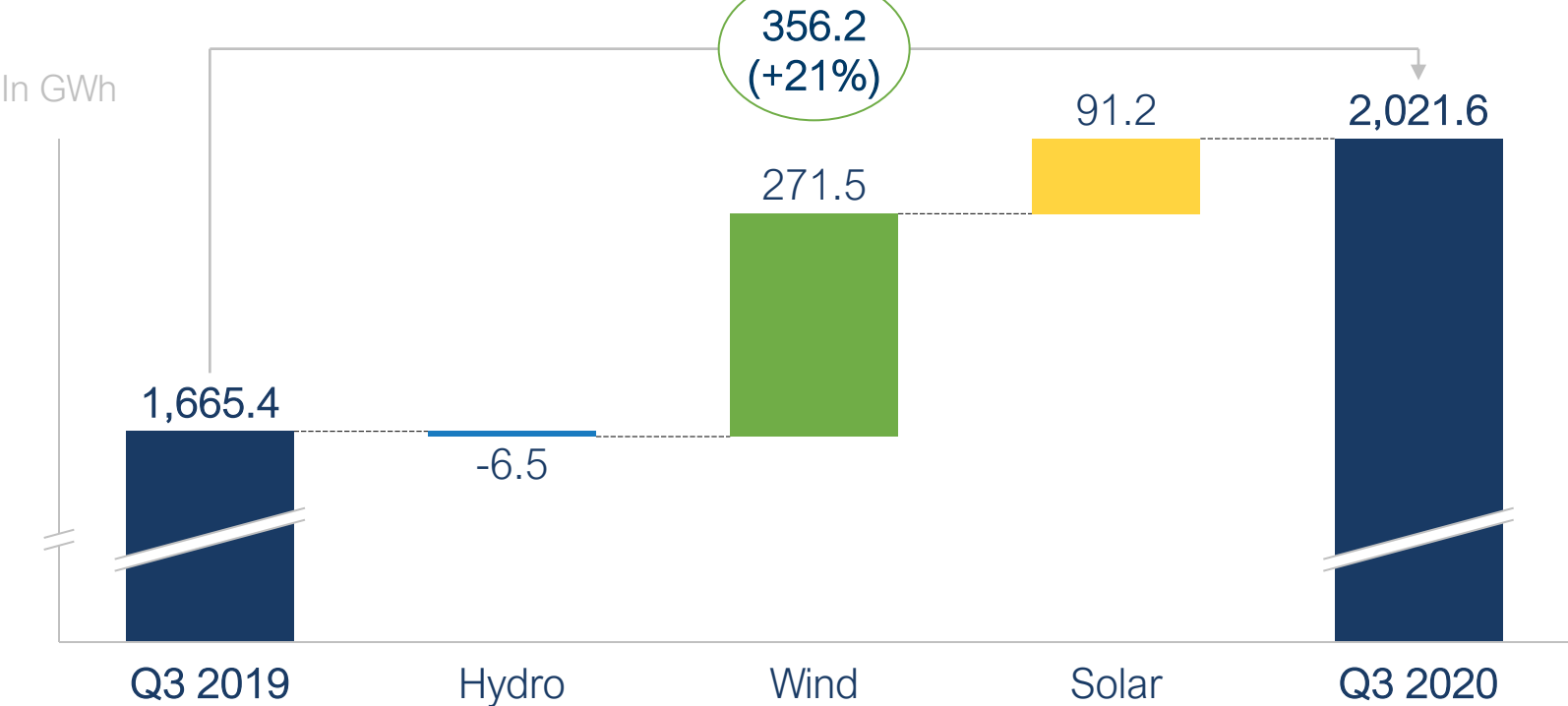
<b>CONSOLIDATED</b>	<b>Three-Month Periods Ended September 30</b>			<b>Nine-Month Periods Ended September 30</b>		
	<b>2020</b>	<b>2019</b>	<b>Change</b>	<b>2020</b>	<b>2019</b>	<b>Change</b>
Production (GWh)	2,021.6	1,665.4	21%	5,886.9	4,715.8	25%
Revenues	162.7	142.8	14%	445.3	414.0	8%
Adjusted EBITDA <sup>1</sup>	108.5	107.4	1%	304.3	305.8	-%
Adjusted EBITDA Margin <sup>1</sup>	66.7%	75.2%		68.3%	73.9%	

## **PROPORTIONATE**

Production Proportionate <sup>1</sup> (GWh)	2,471.2	2,149.2	15%	7,016.8	5,875.9	19%
Revenues Proportionate <sup>1</sup>	213.7	187.0	14%	570.1	511.5	11%
Adjusted EBITDA Proportionate <sup>1</sup>	151.4	142.9	6%	407.4	377.0	8%
Adjusted EBITDA Proportionate Margin <sup>1</sup>	70.9%	76.4%		71.5%	73.7%	

1. Adjusted EBITDA, Adjusted EBITDA Margin, Production Proportionate, Revenues Proportionate, Adjusted EBITDA Proportionate are not recognized measures under IFRS and therefore may not be comparable to those presented by other issuers. Please refer to the "Non-IFRS Measures" section of this presentation for more information.

# 2. Q3 2020 RESULTS | PRODUCTION



- BC Hydro curtailment for five facilities from May 22 to July 20, 2020
- + Higher production at some B.C. facilities not affected by the curtailment
- + Higher production from the Quebec hydro facilities



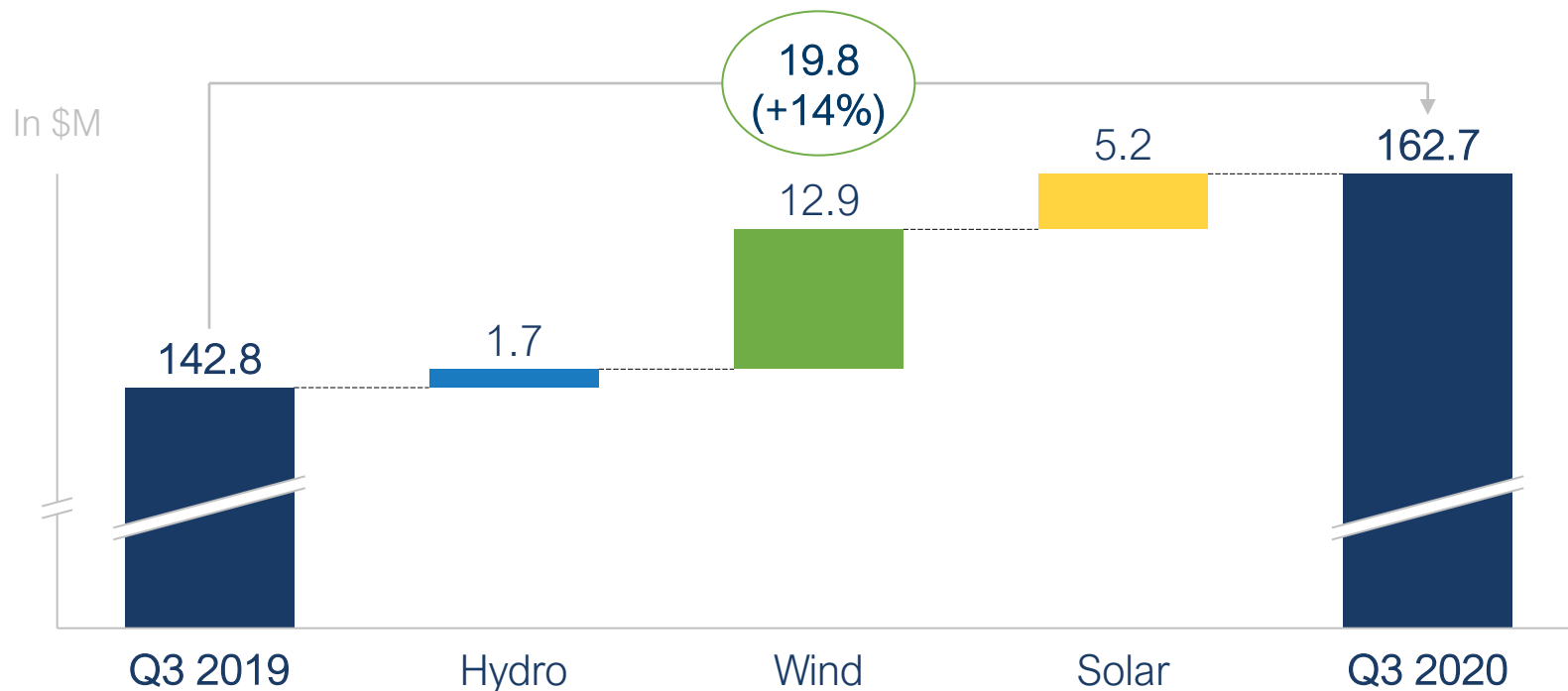
- + Commissioning of the Foard City wind farm
- + Mountain Air Acquisition in Idaho on July 15, 2020



- + Commissioning of the Phoebe solar farm
- + Salvador acquisition in Chile on May 14, 2020



## 2. Q3 2020 RESULTS | REVENUES



- +** Higher production at some Quebec facilities
- Lower revenues from the B.C. facilities due to the BC Hydro curtailment and lower average selling prices

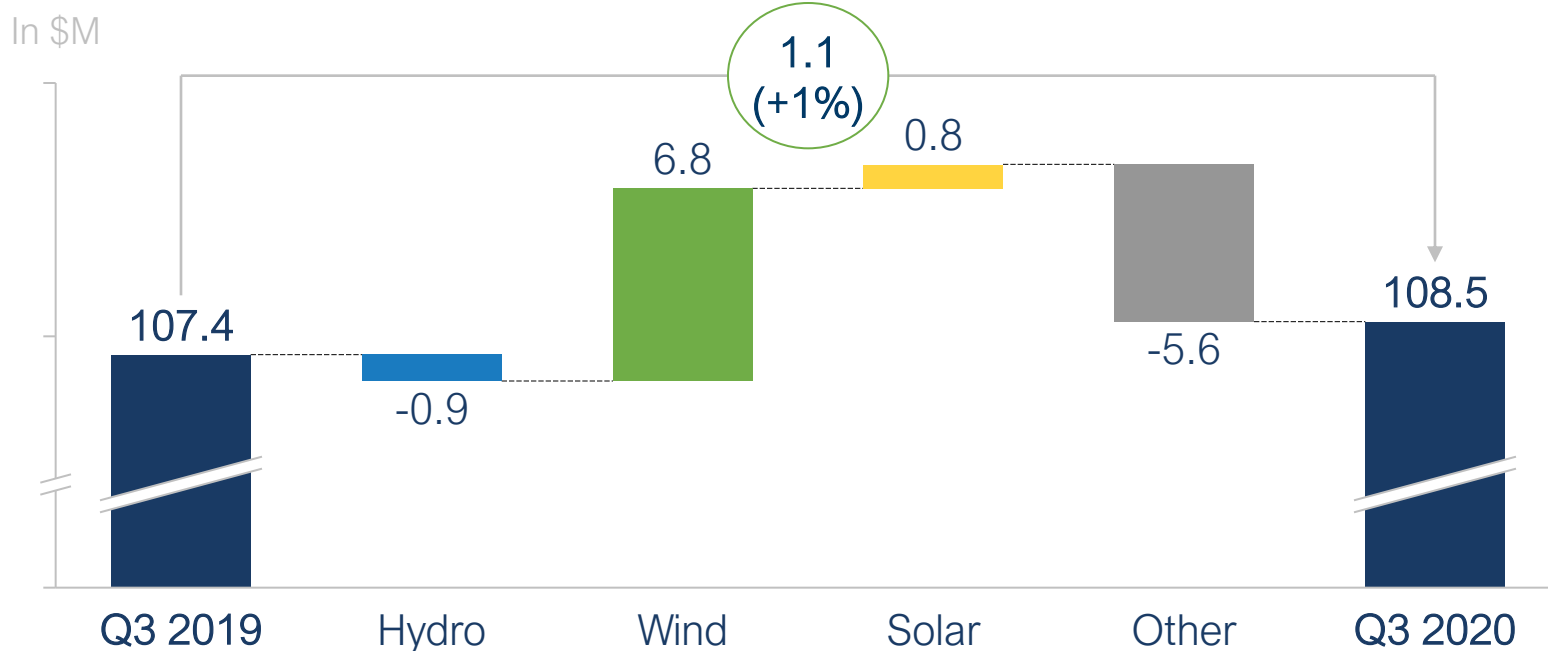


- +** Mountain Air Acquisition in Idaho on July 15, 2020
- +** Commissioning of the Foard City wind farm
- +** Higher revenues from Quebec facilities due to higher production
- Lower revenues from the wind farms in France due to lower production



- +** Commissioning of the Phoebe solar farm
- +** Salvador acquisition in Chile on May 14, 2020
- Lower revenues at the Ontario facility due to lower production

## 2. Q3 2020 RESULTS | ADJUSTED EBITDA<sup>1</sup>



- Lower contribution in B.C. facilities over lower revenues and higher operational expenses
- + Higher contribution in Quebec explained by higher revenues over higher operational expenses

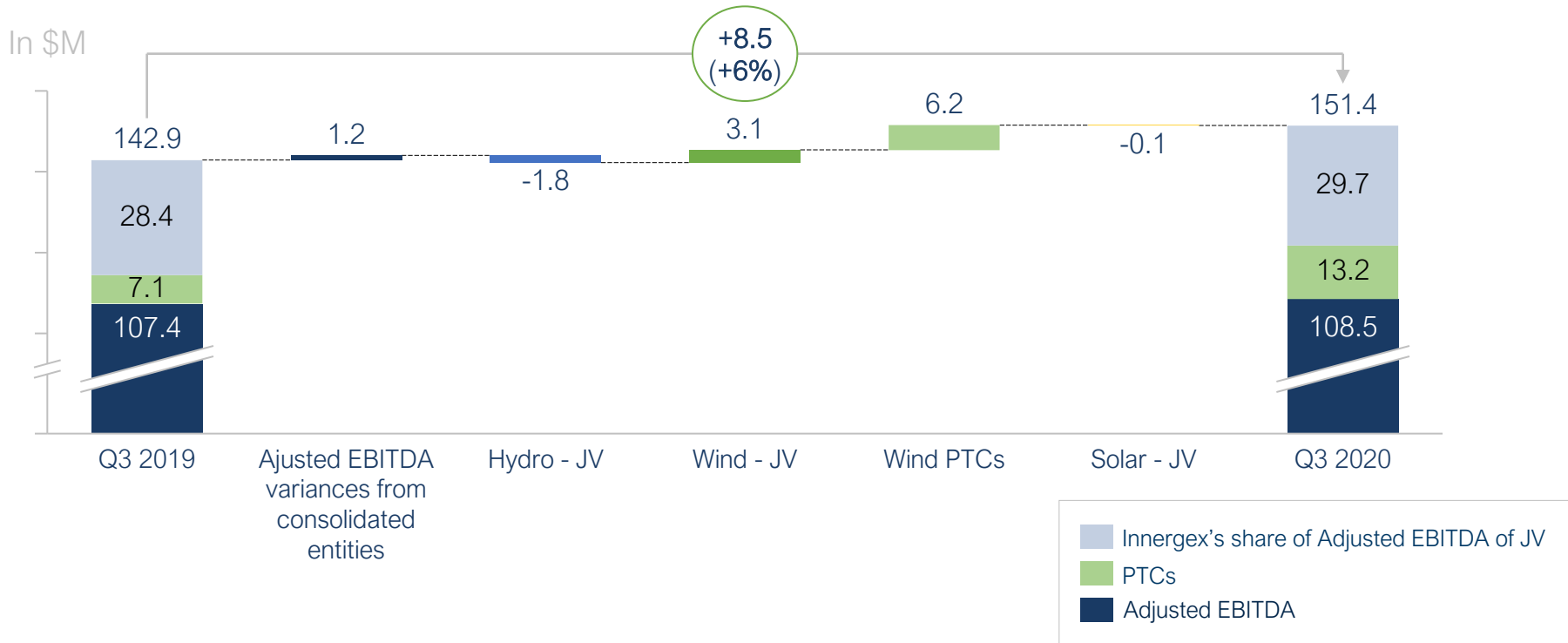


- + Mountain Air Acquisition in Idaho on July 15, 2020
- + Higher contribution from the Quebec facilities explained by higher revenues
- + Commissioning of the Foard City wind farm
- Lower contribution from in France due to lower revenues and higher operational expenses



- + Commissioning of the Phoebe solar farm

## 2. Q3 2020 RESULTS | ADJUSTED EBITDA PROPORTIONATE<sup>1</sup>

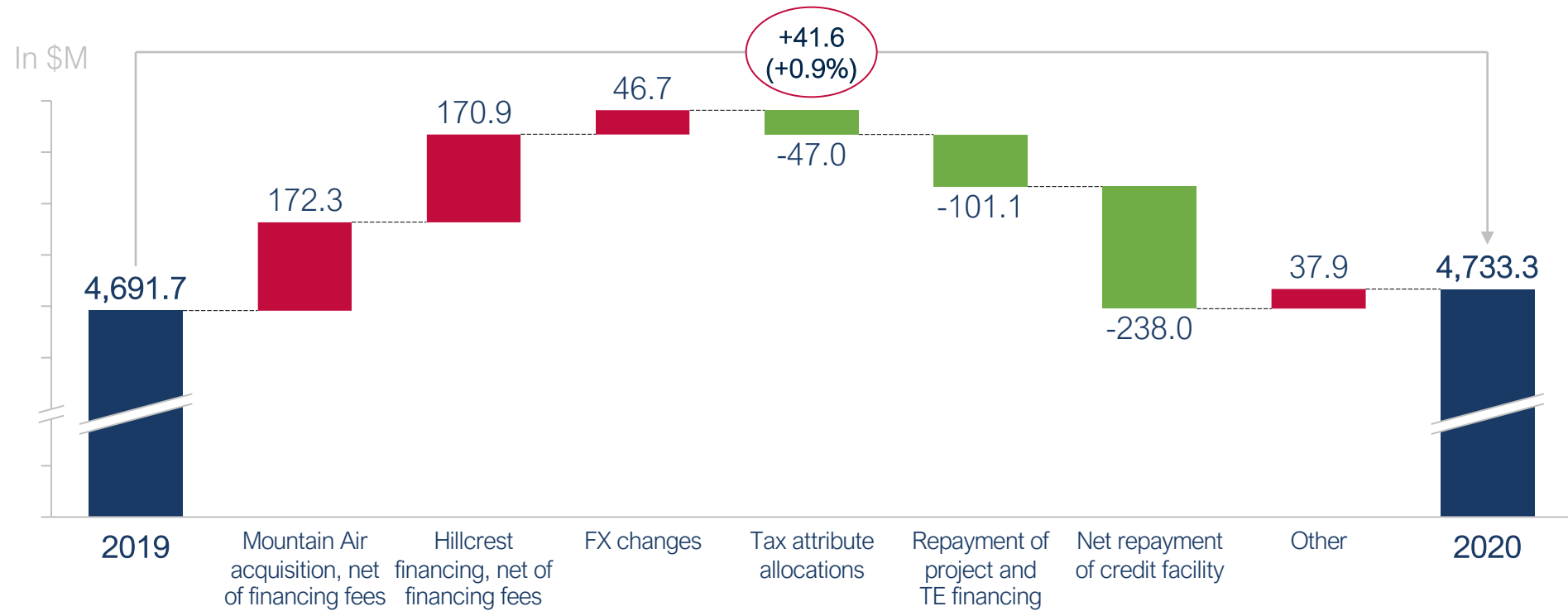


- Lower contribution in Chile due to lower revenues and higher operational costs
- Lower contribution from the Jimmie Creek facility due to lower revenues
- Higher contribution from Toba Montrose facility due to higher revenues



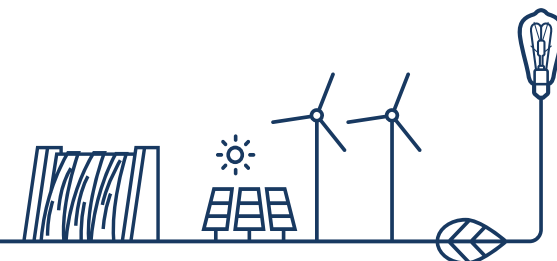
- PTCs generated by Foard City
- Higher contribution at Shannon and Flat Top due to higher revenues and lower operational expenses
- Higher contribution from the Dokie facility due to higher revenues

## 2. Q3 2020 RESULTS | LONG-TERM DEBT

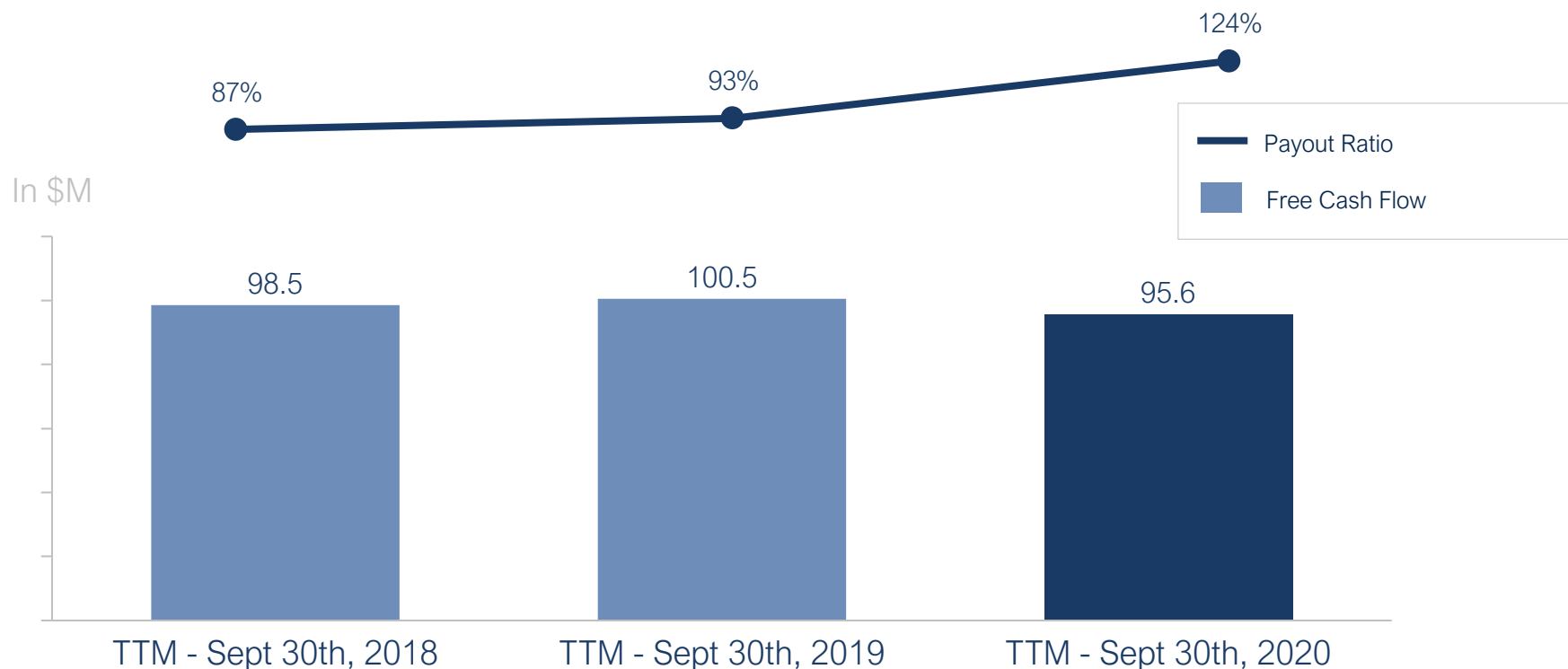


## 2. Q3 2020 RESULTS | FINANCIAL POSITION HIGHLIGHTS

<b>As at</b>	<b>SEPT 30, 2020</b>	<b>DEC 31, 2019</b>
In millions of Canadian dollars		
Total Assets	7,148.1	6,372.1
Total Liabilities	6,031.5	5,756.8
Non-controlling interests	69.2	10.9
Equity attributable to owners	1,047.4	604.4



## 2. Q3 2020 RESULTS | FREE CASH FLOW & PAYOUT RATIO <sup>1</sup>



Free Cash Flow

- Increase in scheduled debt principal repayments
- An unfavourable impact to Adjusted EBITDA Proportionate stemming from BC Hydro-imposed curtailment during 2020
- Decrease in Free Cash Flow attributable to discontinued operations (HS Orka)
- Lower generation mostly due to unfavourable weather conditions
- ⊕ Timing of certain project loan interest payments which resulted in the Corporation having made five quarterly payments during the comparative period
- ⊕ Free Cash Flow contribution of recently acquired and commissioned projects
- ⊕ Lower interest payment on the corporate revolving facilities due to Hydro-Québec Private Placement



# 3. OTHER SUBSEQUENT FINANCIAL EVENT

## INNAVIK FINANCING

### CONSTRUCTION COSTS

- Total **construction costs estimated at \$127.8 million**

### FINANCING

- Mainly financed through a **\$92.8 million non-recourse construction and term project loan** with The Manufacturers Life Insurance Company.
- The remaining \$35.0 million will be financed by Innergex and Pituvik.

### DEBT REPAYMENT TERMS

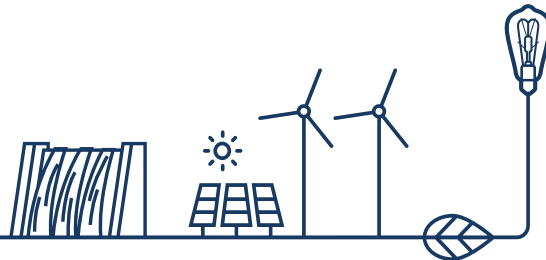
- Construction loan will convert into a 40-year term loan carrying a fixed interest rate of 3.95% once the facility reaches commercial operation scheduled in December 2022.



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## Michel Letellier, MBA

President and Chief Executive  
Officer



# 3. Q3 2020 CORPORATE DEVELOPMENT

## ACQUISITION

### **Mountain Air wind farms – Idaho, U.S.**

- On July 15, **acquisition of all Class B shares of a portfolio of six operating wind farms** (the **Mountain Air Acquisition**) in Idaho for a purchase price of US\$56.8 million.
- All six wind farms have PPA with Idaho Power Company over a remaining period of approximately 12.5 years.
- Mountain Air is expected to produce a **gross estimated LTA of 331 GWh/year** and a **US\$21.1 million projected adjusted EBITDA** for 2021.

## COVID-19 UPDATES

- **Measures taken to protect employees, suppliers and partners** against COVID-19
- **Continuation of our electricity production** activities as they are considered an essential service
- Dispute of curtailment notices from **BC Hydro**
- **Pursuit of our construction activities**

# 4. CONSTRUCTION ACTIVITIES

## CONSTRUCTION

### **Hillcrest Solar Project – Ohio, U.S.**

- The project is approximately 65% complete.
- Construction of the substation is complete and the transmission line and substation have been energized.
- Tax equity investor made an initial investment of US\$22.4 million (\$29.8 million) representing 20% of its total investment amount on October 29, 2020.
- Full commercial operation is scheduled in Q1 2021.

### **Innavik Hydro Project – Quebec, Canada**

- Contractor mobilization on site was completed and all necessary equipment was delivered.
- Powerhouse access road, powerhouse and tailrace excavation are progressing well.
- Construction and long-term credit agreement of \$92.8 million entered into on November 4, 2020.
- Commercial operation is scheduled in Q4 2022.

### **Yonne II Wind Project – France**

- Craning pads, storage area, access roads and all three foundations are now completed.
- All concrete tower sections have been delivered to site and erection works have begun.
- Remaining turbine components (blades, nacelles, hubs, steel tower sections) will be installed in Q4 2020.
- Commercial operation is scheduled for late Q1 2021.

### **Griffin Trail Wind Project – Texas, U.S.**

- A construction agreement was executed with an EPC contractor and work on site commenced in September.
- Procurement of long-lead items has commenced and deliveries to the site started in October.
- Construction of the interconnection point is underway.
- Financing and tax equity investment process are progressing well.
- Commercial operation is scheduled for Q3 2021.

# 5. DEVELOPMENT ACTIVITIES

## DEVELOPMENT

### **Hale Kuawehi Solar and Energy Storage Project – Hawaii, U.S.**

- Environmental and technical studies are completed as well as 30% design engineering
- EPC request for proposals and permitting applications are underway. Selection to be made in Q4 2020

### **Paeahu Solar and Energy Storage Project – Hawaii, U.S.**

- The PUC has approved the PPA.
- Environmental and technical studies are completed as well as 30% design engineering
- EPC request for proposals is underway and the Special Use Permit application will be filed in Q4 2020
- Expected COD postponed to 2023.

### **Tonnerre Energy Storage Project – France**

- The preferred battery provider has been selected and exclusive negotiations are in progress.

### **Kahana Solar and Energy Storage Project – Hawaii, U.S.**

- The 20 MW project with 80 MWh of battery storage has signed a 25-year PPA with the Maui Electric Company that is subject to approval by the PUC.
- Environmental studies are ongoing as are other permitting-related activities.
- COD is expected in 2023.

### **Barbers Point Solar and Energy Storage Project – Hawaii, U.S.**

- The 15 MW project with 60 MWh of battery storage has signed a 25-year PPA with the Hawaiian Electric Company that is subject to approval by the PUC.
- Environmental studies are ongoing as are other permitting-related activities.
- COD is expected in 2023.



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QUESTION PERIOD





# NON-IFRS MEASURES

This document has been prepared in accordance with IFRS. However, some measures referred to in this MD&A are not recognized measures under IFRS and therefore may not be comparable to those presented by other issuers. Innergex believes these indicators are important, as they provide management and the reader with additional information about the Corporation's production and cash generation capabilities, its ability to sustain current dividends and dividend increases and its ability to fund its growth. These indicators also facilitate the comparison of results over different periods. Innergex's share of Revenues of joint ventures and associates, Revenues Proportionate, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EBITDA Proportionate, Adjusted EBITDA Proportionate Margin, Innergex's share of Adjusted EBITDA of joint ventures and associates, Adjusted Net Earnings (Loss) from Continuing Operations, Free Cash Flow, Adjusted Free Cash Flow, Payout Ratio and Adjusted Payout Ratio are not measures recognized by IFRS and have no standardized meaning prescribed by IFRS.

## Revenues Proportionate

References in this document to "Innergex's share of Revenues of joint ventures and associates" are to Innergex's equity interest in the joint ventures and associates' Revenues. Readers are cautioned that Innergex's share of Revenues of joint ventures and associates should not be construed as an alternative to Revenues, as determined in accordance with IFRS.

References in this document to "Revenues Proportionate" are to Revenues plus Innergex's share of Revenues of the joint ventures and associates, other income related to PTCs, and Innergex's share of the operating joint ventures' and associates' other income related to PTCs. Innergex believes that the presentation of this measure enhances the understanding of the Corporation's operating performance. Readers are cautioned that Revenues Proportionate should not be construed as an alternative to Revenues, as determined in accordance with IFRS.

	Three months ended September 30		Nine months ended September 30	
	2020	2019	2020	2019
Revenues	162,651	142,814	445,280	413,926
Innergex's share of Revenues of joint ventures and associates:				
Toba Montrose (40%)	17,590	17,197	26,730	25,170
Shannon (50%)	1,482	1,013	4,711	5,558
Flat Top (51%)	1,976	582	6,470	6,305
Dokie (25.5%)	2,268	1,712	7,302	5,465
Jimmie Creek (50.99%)	6,384	7,677	7,607	9,974
Umbata Falls (49%)	541	490	2,861	2,773
Viger-Denonville (50%)	1,191	1,017	4,114	4,175
Duqueco (50%) <sup>1</sup>	5,616	6,370	11,535	14,499
Guayacán (50%) <sup>1</sup>	390	469	1,249	1,480
Pampa Elvira (50%) <sup>1</sup>	403	475	1,420	1,507
	37,841	37,002	73,999	76,906
PTCs and Innergex's share of PTCs generated:				
Foard City	8,229	1,423	31,281	1,423
Shannon (50%)	2,054	2,355	8,486	8,324
Flat Top (51%)	2,961	3,310	11,065	10,941
	13,244	7,088	50,832	20,688
Revenues Proportionate	213,736	186,904	570,111	511,520

1. Innergex owns a 50% interest in Energia Llaima, which owns the Guayacán (69.47% interest) and the Pampa Elvira (55% interest) facilities and Duqueco, which includes the Mampil (100% interest) and Peuchén (100% interest) facilities.

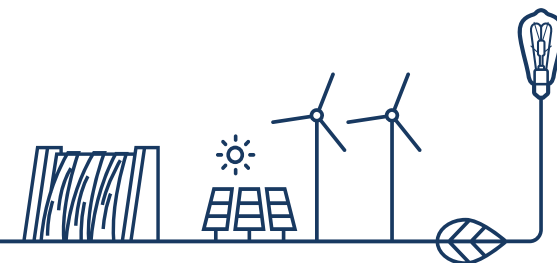
# NON-IFRS MEASURES

## Adjusted EBITDA and Adjusted EBITDA Margin

References in this document to "Adjusted EBITDA" are to net earnings (loss) from continuing operations, to which are added (deducted) income tax expense (recovery), finance costs, depreciation and amortization, other net income, share of (earnings) loss of joint ventures and associates and change in fair value of financial instruments. Innergex believes that the presentation of this measure enhances the understanding of the Corporation's operating performance. Readers are cautioned that Adjusted EBITDA should not be construed as an alternative to net earnings, as determined in accordance with IFRS.

References in this document to "Adjusted EBITDA Margin" are to Adjusted EBITDA divided by revenues. Innergex believes that the presentation of this measure enhances the understanding of the Corporation's operating performance.

	Three months ended September 30		Nine months ended September 30	
	2020	2019	2020	2019
Net earnings (loss) from continuing operations	7,492	9,896	(41,005)	(4,977)
Income tax expense	11,508	3,749	11,540	1,164
Finance costs	60,122	59,474	175,700	170,704
Depreciation and amortization	59,368	48,343	170,061	141,558
EBITDA	138,490	121,462	316,296	308,449
Other net income	(16,725)	(3,917)	(58,250)	(2,639)
Share of (earnings) loss of joint ventures and associates	(11,382)	(16,225)	21,398	(9,193)
Change in fair value of financial instruments	(1,859)	6,031	24,835	9,225
Adjusted EBITDA	108,524	107,351	304,279	305,842
Adjusted EBITDA margin	66.7%	75.2%	68.3%	73.9%



# NON-IFRS MEASURES

## Adjusted EBITDA Proportionate and Adjusted EBITDA Proportionate Margin

References in this document to "Innergex's share of Adjusted EBITDA of the joint ventures and associates" are to Innergex's equity interest in the joint ventures' and associates' Adjusted EBITDA.

References in this document to "Adjusted EBITDA Proportionate" are to Adjusted EBITDA plus Innergex's share of Adjusted EBITDA of the operating joint ventures and associates, other income related to PTCs, and Innergex's share of the operating joint ventures' and associates' other income related to PTCs. Innergex believes that the presentation of this measure enhances the understanding of the Corporation's operating performance. Readers are cautioned that Adjusted EBITDA Proportionate should not be construed as an alternative to net earnings, as determined in accordance with IFRS. Please refer to the "Operating Results" section of this MD&A for more information.

References in this document to "Adjusted EBITDA Proportionate Margin" are to Adjusted EBITDA Proportionate divided by Revenues Proportionate. Innergex believes that the presentation of this measure enhances the understanding of the Corporation's operating performance.

During the year ended December 31, 2019, upon commissioning of the Foard City wind project, the Adjusted EBITDA Proportionate measure was changed to reflect PTC generation from the Corporation's wind facilities and from its joint ventures' and associates' wind facilities. PTCs represent an important factor to a U.S. wind project's financial performance and have been a major driver to determining their economic feasibility. PTCs are currently used, for the most part, as an element of the principal repayment of the Corporation's tax equity financing.

	Three months ended September 30		Nine months ended September 30	
	2020	2019	2020	2019
Adjusted EBITDA	108,524	107,351	304,279	305,842
Innergex's share of Adjusted EBITDA of joint ventures and associates:				
Toba Montrose (40%)	15,341	15,030	21,585	20,046
Shannon (50%)	(56)	(872)	546	1,237
Flat Top (51%)	412	(1,213)	2,304	711
Dokie (25.5%)	1,603	1,095	5,659	3,799
Jimmie Creek (50.99%)	6,023	6,908	6,398	8,278
Umbata Falls (49%)	311	315	2,254	2,178
Viger-Denonville (50%)	1,030	868	3,470	3,418
Duqueco (50%) <sup>1</sup>	4,543	5,454	8,499	9,115
Guayacán (50%) <sup>1</sup>	184	469	736	1,022
Pampa Elvira (50%) <sup>1</sup>	274	391	836	665
	29,665	28,445	52,287	50,469
PTCs and Innergex's share of PTCs generated:				
Foard City	8,229	1,423	31,281	1,423
Shannon (50%)	2,054	2,355	8,486	8,324
Flat Top (51%)	2,961	3,310	11,065	10,941
	13,244	7,088	50,832	20,688
Adjusted EBITDA Proportionate	151,433	142,884	407,398	376,999
Adjusted EBITDA Proportionate Margin	70.9%	76.4%	71.5%	73.7%

1. Innergex owns a 50% interest in Energia Llaima, which owns the Guayacán (69.47% interest) and the Pampa Elvira (55% interest) facilities, and Duqueco, which includes the Mampil (100% interest) and Peuchén (100% interest) facilities.

# NON-IFRS MEASURES

## Adjusted Net Earnings (Loss) from Continuing Operations

References to "Adjusted Net Earnings (Loss) from Continuing Operations" are to net earnings or losses from continuing operations of the Corporation, to which the following elements are added (subtracted): change in fair value of financial instruments; realized (gain) loss on financial instruments; income tax expense (recovery) related to the above items; and the share of change in fair value of financial instruments of joint ventures and associates, net of related tax. Innergex uses derivative financial instruments to hedge its exposure to various risks. Accounting for derivatives requires that all derivatives are marked-to-market. When hedge accounting is not applied, changes in the fair value of the derivatives is recognized directly in net earnings (loss). Such unrealized changes have no immediate cash effect, may or may not reverse by the time the actual settlements occur and do not reflect the Corporation's business model toward derivatives, which are held for their long-term cash flows, over the whole life of a project. The Adjusted Net Earnings (Loss) from Continuing Operations of the Corporation aims to eliminate the impact of the mark-to-market rules on derivatives on the profit and loss of the Corporation. Innergex believes the analysis and presentation of net earnings or loss on this basis enhances understanding of the Corporation's operating performance. Readers are cautioned that Adjusted Net Earnings (Loss) from Continuing Operations should not be construed as an alternative to net earnings, as determined in accordance with IFRS.

	Three months ended September 30		Nine months ended September 30	
	2020	2019	2020	2019
Net earnings (loss) from continuing operations	7,492	9,896	(41,005)	(4,977)
<i>Add (Subtract):</i>				
Unrealized portion of the change in fair value of financial instruments	(23)	6,031	12,796	9,225
Realized portion of the change in fair value of the Phoebe basis hedge	611	—	19,453	—
Realized loss on foreign exchange forward contracts	(755)	(1,973)	(1,580)	(2,421)
Income tax expense (recovery of) related to above items	1,201	84	(4,000)	(690)
Share of unrealized portion of the change in fair value of financial instruments of joint ventures and associates, net of related income tax	4,850	(453)	23,655	(1,580)
Adjusted Net Earnings (Loss) from continuing operations	13,376	13,585	9,319	(443)

## Free Cash Flow and Payout Ratio

References to "Free Cash Flow" are to cash flows from operating activities before changes in non-cash operating working capital items, less maintenance capital expenditures net of proceeds from disposals, scheduled debt principal payments, preferred share dividends declared and the portion of Free Cash Flow attributed to non-controlling interests, plus or minus other elements that are not representative of the Corporation's long-term cash-generating capacity, such as transaction costs related to realized acquisitions (which are financed at the time of the acquisition), realized losses or gains on derivative financial instruments used to hedge the interest rate on project-level debt or the exchange rate on equipment purchases. Innergex believes that presentation of this measure enhances the understanding of the Corporation's cash generation capabilities, its ability to sustain current dividends and dividend increases and its ability to fund its growth. Readers are cautioned that Free Cash Flow should not be construed as an alternative to cash flows from operating activities, as determined in accordance with IFRS. Please refer to the "Free Cash Flow and Payout Ratio" section for the reconciliation of Free Cash Flow.

References to "Adjusted Free Cash Flow" are to Free Cash Flow excluding prospective project expenses and non-recurring items.

References to "Payout Ratio" are to dividends declared on common shares divided by Free Cash Flow. Innergex believes that this is a measure of its ability to sustain current dividends and dividend increases as well as its ability to fund its growth.

References to "Adjusted Payout Ratio" are to dividends declared on common shares divided by Adjusted Free Cash Flow after the impact of the DRIP.

# NON-IFRS MEASURES

	Trailing twelve months ended September 30	
	2020	2019
<b>Free Cash Flow and Payout Ratio calculation<sup>1</sup></b>		
Cash flows from operating activities	229,152	213,585
<i>Add (Subtract) the following items:</i>		
Changes in non-cash operating working capital items	(4,510)	6,956
Maintenance capital expenditures net of proceeds from disposals	(3,428)	(10,282)
Scheduled debt principal payments	(144,261)	(112,604)
Free Cash Flow attributed to non-controlling interests <sup>2</sup>	(11,617)	(18,601)
Dividends declared on Preferred shares	(5,942)	(5,942)
<i>Add (Subtract) the following non-recurring items:</i>		
Transaction costs related to realized acquisitions	923	1,593
Realized loss on termination of interest rate swaps	4,145	6,914
Realized loss on the Phoebe basis hedge <sup>3</sup>	31,150	—
Income tax paid on realized intercompany gain	—	10,594
Recovery of maintenance capital expenditures and prospective project expenses on sale of HS Orka, net of attribution to non-controlling interests <sup>4</sup>	—	8,242
<b>Free Cash Flow</b>	<b>95,612</b>	<b>100,455</b>
Dividends declared on common shares	118,514	93,258
Payout Ratio	124%	93%
<i>Adjust for the following items:</i>		
Prospective projects expenses	15,340	16,945
<b>Adjusted Free Cash Flow</b>	<b>110,952</b>	<b>117,400</b>
Dividends declared on common shares - DRIP adjusted	113,084	90,856
<b>Adjusted Payout Ratio</b>	<b>102%</b>	<b>77%</b>

1. Free Cash Flow, Adjusted Free Cash Flow, Payout Ratio and Adjusted Payout Ratio are not recognized measures under IFRS and therefore may not be comparable to those presented by other issuers. Please refer to the "Non-IFRS Measures" section for more information.

2. The portion of Free Cash Flow attributed to non-controlling interests is subtracted, regardless of whether an actual distribution to non-controlling interests is made, in order to reflect the fact that such distributions may not occur in the period they are generated.

3. Due to their limited occurrence (over the remaining contractual period of 18 months), gains and losses on the Phoebe basis hedge are deemed not to represent the long-term cash generating capacity of Innergex.

4. The sale of HS Orka has allowed for the recovery of maintenance capital expenditures and prospective project expenses incurred thereon since the acquisition of the project in February 2018, totaling \$5.7 million and \$9.6 million, respectively. An amount of \$7.1 million was deducted from the total recovery as it pertains to non-controlling interests.

# NON-IFRS MEASURES

## Production KPIs

### Production Proportionate

References in this document to "Innergex's share of Production of the joint ventures and associates" are to Innergex's equity interest in the joint ventures' and associates' Production.

References in this document to "Production Proportionate" are to Production plus Innergex's share of Production of the joint ventures and associates. Innergex believes that the presentation of this measure enhances the understanding of the Corporation's operating performance.

	Three months ended September 30		Nine months ended September 30	
	2020	2019	2020	2019
(in MWh)				
Production	2,021,559	1,665,362	5,886,949	4,715,820
Innergex's share of Production of joint ventures and associates:				
Toba Montrose (40%)	155,851	152,144	256,449	243,782
Shannon (50%)	61,220	72,155	248,728	252,936
Flat Top (51%)	89,726	101,347	328,042	332,474
Dokie (25.5%)	19,639	13,912	63,005	44,799
Jimmie Creek (50.99%)	46,035	61,723	55,059	87,944
Umbata Falls (49%)	7,347	6,486	38,052	36,635
Viger-Denonville (50%)	7,849	6,729	27,111	27,626
Duqueco (50%) <sup>1</sup>	53,485	61,864	89,763	109,161
Guayacán (50%) <sup>1</sup>	5,219	4,199	14,337	14,985
Pampa Elvira (50%) <sup>1</sup>	3,219	3,230	9,285	9,798
	449,590	483,789	1,129,831	1,160,140
<b>Production Proportionate</b>	<b>2,471,149</b>	<b>2,149,151</b>	<b>7,016,780</b>	<b>5,875,960</b>

1. Innergex owns a 50% interest in Energía Llaima, which owns the Guayacán (69.47% interest) and Pampa Elvira (55% interest) facilities, and Duqueco, which includes the Mampil (100% interest) and Peuchén (100% interest) facilities.