ALGONQUIN
Power & Utilities Corp.

Fourth Quarter and Full Year 2016 Earnings Conference Call

March 3, 2017



FORWARD-LOOKING STATEMENTS DISCLAIMER

Certain written and oral statements contained in this presentation and discussion are forward-looking within the meaning of certain securities laws and reflect the views of Algonquin Power & Utilities Corp. (the “Company”) with respect to future events, based upon assumptions relating to, among others, the performance of the Company's assets and the business, financial and regulatory climates in which it operates. These forward looking statements include, among others, statements with respect to the expected performance of the Company, its future plans and its dividends to shareholders.

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NON-GAAP FINANCIAL MEASURES DISCLAIMER

The terms “adjusted net earnings”, “adjusted earnings before interest, taxes, depreciation and amortization” (“Adjusted EBITDA”), “adjusted funds from operations”, “per share cash provided by adjusted funds from operations”, “per share cash provided by operating activities”, "net energy sales", and "net utility sales", (together the “Financial Measures”) may be used in this presentation. The Financial Measures are not recognized measures under GAAP. There is no standardized measure of the Financial Measures, consequently APUC’s method of calculating these measures may differ from methods used by other companies and therefore may not be comparable to similar measures presented by other companies. A calculation and analysis of the Financial Measures can be found in APUC’s most recent Management Commentary. Per share cash provided by operating activities is not a substitute measure of performance for earnings per share. Amounts represented by per share cash provided by operating activities do not represent amounts available for distribution to shareholders and should be considered in light of various charges and claims against APUC.

Agenda

➢ **Introductory Remarks**	**Chris Jarratt** *Vice Chairman* *Algonquin Power and Utilities Corp.*
➢ **2016 Strategic Achievements**	**Ian Robertson** *Chief Executive Officer* *Algonquin Power and Utilities Corp.*
➢ **2016 Financial Highlights**	**David Bronicheski** *Chief Financial Officer* *Algonquin Power and Utilities Corp.*
➢ **2017 Outlook**	**Ian Robertson** *Chief Executive Officer* *Algonquin Power and Utilities Corp.*

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2016 Strategic Achievements



2016 Key Takeaways

Delivered strong financial results

- ✓ Adjusted EBITDA[1] - 27% Y-O-Y increase
- ✓ Adjusted EPS[1] - 24% Y-O-Y increase
- ✓ Asset growth - 65% Y-O-Y increase
- ✓ Dividend increase aligned with our 10% growth target

Further diversification and scale

- ✓ Added 312,000 new utility customers
- ✓ Seamless addition of Empire operations
- ✓ Commissioned 360 MW net generation capacity
- ✓ Dual-listed of common shares commenced trading on NYSE under symbol “AQN”

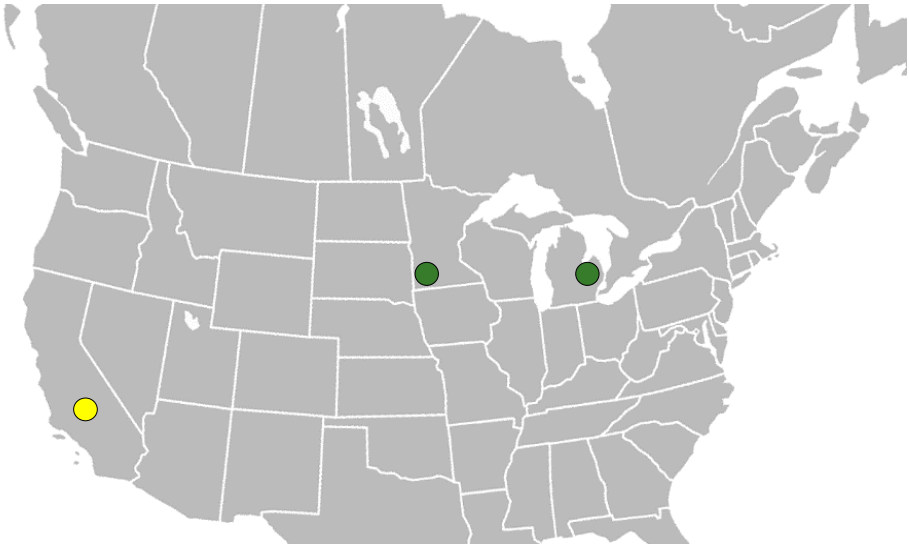
Re-affirmed our strong growth trajectory

- ✓ 700 MW Safe Harbor Turbines investment potential
- ✓ Organic investment in utilities system improvements
- ✓ Customer growth through accretive acquisitions

1. Please see Disclaimer on Non-GAAP Financial Measures on page 2 of this presentation.

New Generation - Diverse by Location and Modality

In millions of Canadian dollars unless otherwise noted	MW	Annual Production (GWh)	PPA Term (Years)
Odell Wind	200	831.8	20
Deerfield Wind	150	555.2	20
Bakersfield II Solar	10	24.2	20





Odell Wind • 200 MW COD: July 29, 2016



Deerfield Wind • 150 MW COD: Feb 21, 2017



Bakersfield II Solar • 10 MW COD: Jan 11, 2017

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Financial Performance



Financial Performance

In millions of Canadian dollars or on a per share basis unless otherwise noted (Unaudited)	Quarterly			Annual		
	Quarter ended Dec. 31			Year ended Dec. 31		
	2016	2015	Change	2016	2015	Change
Adjusted EBITDA[1]	**138.3**	109.6	**26%**	**476.9**	375.4	**27%**
Adjusted net earnings[1]	**51.4**	39.7	**30%**	**161.6**	121.5	**33%**
Per share	**0.18**	0.15	**20%**	**0.57**	0.46	**24%**
AFFO[1]	**95.8**	77.2	**24%**	**355.8**	287.4	**23%**
Per share[1]	**0.34**	**0.30**	**13%**	**1.29**	**1.15**	**12%**
Dividend per share	**0.14**	0.13	**8%**	**0.55**	0.49	**12%**

New renewable energy facilities coupled with successful utility rate case outcomes fueled 2016 growth

1. Please see Disclaimer on Non-GAAP Financial Measures on page 2 of this presentation.

Key Financing Accomplishments

Empire Financing Plan Complete

- ✓ Received Final Instalment of C$1.15 B convertible debentures
- ✓ Over 99% of convertible debentures converted to equity
- ✓ All existing Empire debt assumed on existing terms
- ✓ Successful Liberty Utilities U.S. $750 million notes financing

U.S. $750 million Liberty Utilities notes financing

- ✓ Agreement with a broad syndicate of U.S. institutions for issuance of senior unsecured notes
- ✓ Weighted average tenor of 15 years, weighted average effective interest rate of 3.6%
- ✓ Closing of notes expected before the end of March 2017

C$300 million Algonquin Power Co. Bond Offering

- ✓ Senior unsecured bonds issued to a broad syndicate of Canadian institutional investors
- ✓ Bond maturity 10 years, coupon 4.09%

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2017 Outlook



Focus for 2017

- Deliver our 2017 capital programs on-time and on-budget

Renewable Generation Group	CDN $millions
Capital Project Investments	$540
Fleet Maintenance	$45
Liberty Utilities Group	
Rate Base Investments	$450
Rate Base Maintenance	$165
Total	**$1,200**

- Exploit and expand the Renewable Generation growth opportunity set

Renewable Generation Group Initiatives	
Projects Under Construction	**Projects Under Development**
❑ 75 MW Great Bay Solar	❑ 24 MW Val Éo Wind
❑ 75 MW Amherst Island Wind	❑ 177 MW Chaplin/Blue Hill Wind

- Drive returns through timely rate cases within our Liberty Utilities Group
  - 2017 rate cases proceedings represent US$14.1 M requested increases

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Q & A



CORPORATE INFORMATION

Head Office	Oakville, ON
Common Share Symbol	TSX and NYSE: AQN
Preferred Share Symbols	AQN.PR.A, AQN.PR.D
Shares Outstanding*	382,468,491
Dividend	U.S. $0.4659 per share annually
Price*	$12.17
Market Capitalization	$4.65 Billion

* Shares outstanding as of Feb. 29, closing price (TSX) as of March 1, 2017

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