Fixed Income Update – Liberty Power
June 2019

All dollar amounts presented in USD unless otherwise noted.
FORWARD-LOOKING STATEMENTS DISCLAIMER

This presentation contains statements that constitute "forward-looking statements" or "forward-looking information" within the meaning of applicable securities legislation (collectively, "forward-looking information") with respect to Algonquin Power & Utilities Corp. ("Algonquin" or "APUC") and Algonquin Power Co., which conducts business as Liberty Power. The words "anticipates", "believes", "could", "estimates", "expects", "forecasts", "intends", "may", "plans", "projects", "schedule", "should", "will", "would" and similar expressions are often intended to identify forward-looking information, although not all forward-looking information contains these identifying words. The forecasts and projections that make up the forward-looking information contained herein are based on certain factors or assumptions, many of which are outside of the control of APUC and Liberty Power.

The forward-looking information contained herein is subject to risks, uncertainties and other factors that could cause actual results to differ materially from historical results or results anticipated by the forward-looking information. Factors which could cause results or events to differ materially from current expectations include, but are not limited to: changes in general economic, credit, social and market conditions; changes in customer energy usage patterns and energy demand; global climate change; the incurrence of environmental liabilities; natural disasters and other catastrophic events; the failure of information technology infrastructure and cybersecurity; the loss of key personnel and/or labor disruptions; seasonal fluctuations and variability in weather conditions and natural resource availability; reductions in demand for electricity, gas and water due to developments in technology; reliance on transmission systems owned and operated by third parties; issues arising with respect to land use rights and access to the APUC’s facilities; critical equipment breakdown or failure; terrorist attacks; fluctuations in commodity prices; capital expenditures; reliance on subsidiaries; the incurrence of an uninsured loss; a credit rating downgrade; an increase in financing costs or limits on access to credit and capital markets; sustained increases in interest rates; currency exchange rate fluctuations; restricted financial flexibility due to covenants in existing credit agreements; an inability to refinance maturing debt on commercially reasonable terms; disputes with taxation authorities or changes to applicable tax laws; requirement for greater than expected contributions to post-employment benefit plans; default by a counterparty; inaccurate assumptions, judgments and/or estimates with respect to asset retirement obligations; failure to maintain required regulatory authorizations; changes to health and safety laws, regulations or permit requirements; failure to comply with and/or changes to environmental laws, regulations and other standards; compliance with new foreign laws or regulations; failure to identify attractive acquisition or development candidates necessary to pursue the APUC's growth strategy; delays and cost overruns in the design and construction of projects; loss of key customers; failure to realize the anticipated benefits of acquisitions or joint ventures; facilities being condemned or otherwise taken by governmental entities; increased external stakeholder activism adverse to the Company’s or Liberty Power’s interests; fluctuations in the price and liquidity of the APUC's common shares; and other factors set forth in APUC's annual information form and most recent quarterly commentary. Although the APUC and Liberty Power have attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended.

Forward-looking information contained herein is made as of the date of this presentation and based on the plans, beliefs, estimates, projections, expectations, opinions and assumptions of management on the date hereof. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such forward-looking information. Accordingly, you should not place undue reliance on forward-looking information. While subsequent events and developments may cause the APUC’s or Liberty Power's views to change, APUC and Liberty Power disclaim any obligation to update any forward-looking information or to explain any material difference between subsequent actual events and such forward-looking information, except to the extent required by law. All forward-looking information contained herein is qualified by these cautionary statements.

NON-GAAP FINANCIAL MEASURES DISCLAIMER

The terms "adjusted earnings before interest, taxes, depreciation and amortization" ("Adjusted EBITDA") and "Operating Profit" are both used in this presentation. Adjusted EBITDA and Operating Profit are not recognized measures under U.S. GAAP. There are no standardized measures of Adjusted EBITDA and Operating Profit, consequently APUC's method of calculating Adjusted EBITDA and Operating Profit 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 Adjusted EBITDA and Operating Profit can be found in APUC's Management Discussion and Analysis and in Appendix A hereto.

ADDITIONAL INFORMATION

This presentation is confidential and may not be reproduced or transferred, in whole or in part, to any other party that is not an employee, officer, director, or authorized agent of the recipient without the express written consent of Liberty Power. Each person accepting these materials agrees to return them promptly upon request.

The material provided herein is for informational purposes only and delivered solely as reference material with respect to Liberty Power. This presentation is not an offering memorandum and does not constitute an offer to sell or a solicitation of an offer to buy any securities of Liberty Power.
Presenters

David Bronicheski
Chief Financial Officer
Algonquin Power & Utilities Corp.
- Joined Algonquin in 2007, experience in cable television and telecommunications
- Leads Algonquin’s long-term financial strategy function
- 30+ years of executive management and corporate finance experience

Luisa Read
VP Investor Relations
Algonquin Power & Utilities Corp.
- Joined Algonquin in 1999, experience in finance and accounting
- Leads Algonquin’s Investor Relations Function
- 20+ years of experience in finance

Arthur Kacprzak
VP Treasury and Treasurer
Algonquin Power & Utilities Corp.
- Joined Algonquin in 2012, experience in internal treasury and accounting firm audit roles
- Leads Algonquin’s Treasury function
- 20+ years of experience in finance and treasury
AGENDA

- APUC Overview
- Liberty Power Overview
- Sustainability Focus
- Financial Overview
Overview of Algonquin Power & Utilities Corp.

**Liberty Power**
- $3.3 B in power assets
- 33% of 2018 Adjusted EBITDA

**Liberty Utilities**
- $6.0 B in regulated utility assets
- 67% of 2018 Adjusted EBITDA

**Generating Capacity Mix**
- Wind: 76%
- Solar: 8%
- Hydro: 8%
- Thermal: 8%

**Utility Mix**
- Water: 165,000
- Electric: 266,000
- Natural Gas: 339,000

**Overview of Algonquin Power & Utilities Corp.**
1. Algonquin Power Co. conducts business as Liberty Power. We refer to Algonquin Power Co. as Liberty Power throughout this presentation.
2. All references to Liberty Power assets and financials in this presentation exclude Liberty Power’s 44.2% equity interest in Atlantica Yield PLC.
3. Please see disclaimer on Non-GAAP Financial Measures on page 2 of this presentation and Appendix A for Reconciliation of non-GAAP Financial Measures.
4. Includes pending St. Lawrence Gas and New Brunswick Gas acquisitions.

**Strong and stable operations from a diversified asset portfolio**
APUC’s Investment Grade Capital Structure

### Financial Targets

- **S&P / Fitch: Corporate BBB issuer ratings**
  - **S&P:** FFO/Debt > 15%
  - **Fitch:** FFO Adjusted Leverage < 5.0
- **Total Debt to Capitalization < 50%**

### Capital Access and Liquidity

- **Common shares (AQN) dual-listed - TSX/NYSE**
- **Strong institutional shareholder base**
- **Recent issuance of:**
  - U.S. $637.5 M Subordinated Notes
  - U.S. $184.3 M Preferred Shares
- **Capital structure has room for over U.S. $700 M of preferred shares/subordinated notes**

**Highly committed to maintaining investment-grade credit rating**

---

**APUC Financial Targets**

<table>
<thead>
<tr>
<th>(in U.S. $ millions)</th>
<th>As of Mar 31, 2019¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-term debt</td>
<td>3,031</td>
</tr>
<tr>
<td>Pref. shares / Sub. Notes¹</td>
<td>805</td>
</tr>
<tr>
<td>Equity</td>
<td>3,548</td>
</tr>
<tr>
<td>Total capitalization</td>
<td>7,384</td>
</tr>
</tbody>
</table>

1. Includes $350 M subordinated notes issued subsequent to March 31, 2019.
Sustainability is at the heart of our compelling business proposition

APUC’s Dedication to Sustainability

Sustainability is strongly aligned with APUC’s core values

Public Sustainability Policy

APUC’s organization-wide Sustainability Policy is based on 7 of the United Nations Sustainable Development Goals

Measuring and Improving Performance

Establishing long-term performance metrics and corporate sustainability goals

Reduced CO₂ emissions through renewable energy

Renewable energy generating fleet of over 2.5 GW net installed capacity

Clean water for our 164,000 water utility connections

Commitment to host communities under our “local model”

Safety performance that is better than industry average

Focus on employee well-being through healthy lifestyles

Equal opportunities for all employees
Liberty Power: Proven, Diversified Power Developer / Producer

Liberty Power owns and operates approximately 1.5 GW of wind, solar, hydroelectric, and thermal energy facilities across North America

Company Highlights

Low risk, diverse operating base
- Strong cash flows from renewable and clean energy generation sources
- Diversified by modality, energy markets, geography, and technology

High-quality operating fleet
- Reliable, proven technology and long-lived assets with low variable operating costs
- Long-term O&M and warranty agreements

Operating Facilities and Development Projects

Stable, secure off-take
- Weighted average PPA length of 14 years
- 86% under long-term power purchase contracts
- Contracted asset portfolio ensures stable cash flows

1. The Broad Mountain expansion project in PA is expected to be completed in two phases. Please see page 10 for further details.
Recently completed projects have an average remaining contract life of 17 years.
Significant Pipeline of Renewable Energy Projects

Anticipated U.S. $1.7 B in North American development initiatives within next five years
Commitment to renewable energy development

- Since inception in 1988, Liberty Power (née Algonquin Power Co.) has been dedicated to the development of renewable energy
- Initial development project focused on small run of river hydro-electric generation
- Early entrant into Canadian wind power development market, and strong presence in the U.S. wind marketplace
- Generating fleet further diversified into solar PV in Canada and the U.S.

Renewable energy dominates Liberty Power’s generating fleet

- Nearly all generation and production is from renewable sources
- Investment focus is on new, North American wind and solar generation

Liberty Power has a 30-year track record of success in the development and operation of new, renewable energy sources

1. Excludes corporate administration expenses and dividends received from Liberty Power’s 44.2% equity interest in Atlantica Yield PLC. Please see disclaimer on Non-GAAP Financial Measures on page 2 of this presentation and Appendix A for Reconciliation of non-GAAP Financial Measures.
Financial Policy

Committed to investment grade credit ratings

- Target debt/equity mix to maintain BBB flat investment grade credit ratings
- Consistent and transparent dialogue with the rating agencies

Proactive management of capital requirements

- Equity sourced in advance of needs
- Staggered debt maturity ladder
- Committed long term credit facilities

Diversified access to equity capital

- Multiple channels/markets available for APUC to raise equity
- Use of hybrid equity instruments
- Robust annual investor marketing program

Commitment to Enterprise Risk Management

- Dedicated ERM and internal audit functions
- Operationalization of risk management throughout the company
Liberty Power has a Conservative Capital Structure

<table>
<thead>
<tr>
<th>(in $M)</th>
<th>As of Dec. 31, 2018¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-term debt²</td>
<td>497.7</td>
</tr>
<tr>
<td>Equity</td>
<td>1,700.8</td>
</tr>
<tr>
<td>Total capitalization</td>
<td>2,198.5</td>
</tr>
</tbody>
</table>

**Liberty Power’s Senior Debt Platform**

- C$950 M senior unsecured bonds I/O
- Ratings:
  - S&P: BBB / DBRS: BBB / Fitch: BBB
- Liberty Power targets a long term FFO/Debt of 15% or higher

**Liquidity**

- $500 M senior unsecured bank credit facility
- $200 M Letter of Credit facility

*Highly committed to maintaining investment grade credit ratings*

1. As per Liberty Power financial statements.
2. Includes current and long-term portion of debt per the financial statements.
### Resource fluctuations managed through diversification
- Production targets based on long-term average wind, hydrology, and solar resources ("LTAR")
- 10-year average production 97% of LTAR
- Electricity produced on a statistically predictable basis

## Financial risk exposures actively managed to ensure stability of cash flows over the long term
- Minimal counterparty risk
- Minimal refinancing risk
- Minimal commodity risk
- Long term USD debt targeted to match USD assets to manage Foreign Exchange exposure
- Minimal floating rate debt risk

## Long-term asset management view through an active operational risk management program
- Enterprise Risk Management and Internal Audit functions
- Long-term O&M agreements with wind turbine manufacturers
- Asset Management function ensures annual program of capital expenditures to maintain and improve operating assets
- Facility production and availability part of balanced scorecard
- In-house technical service group oversees/maintains facilities

1. Proportions set as of September 30, 2018
Liberty Power has demonstrated consistent growth. For year ended December 31 (U.S. $ M)

**Assets**

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>2,094.6</td>
<td>2,484.5</td>
<td>2,455.2</td>
</tr>
</tbody>
</table>

**Revenue**

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>200.7</td>
<td>231.3</td>
<td>247.2</td>
</tr>
</tbody>
</table>

*Liberty Power has delivered consistent, measured growth*

1. Assets and Revenue from Liberty Power financials.
Key Investment Highlights

- **Stable Contracted Revenues and Cash Flows**
  - Manage portfolio to maintain long-term weighted average PPA life and maximize revenue under contract
  - Approximately 86% contracted cash flows and average PPA length of 14 years\(^1\)

- **Highly Rated Customers**
  - Majority of revenues are from large utility customers with credit rating of BBB or better

- **Diversified Asset Base**
  - Diversified geographically across six CDN provinces and nine U.S. states
  - Four modalities: wind, solar, hydroelectric, and thermal
  - Focus on renewable generation and growing demand for clean energy

- **Investment Grade Credit Ratings**
  - Liberty Power rated BBB by S&P and Fitch, and recent upgrade to BBB, stable trend by DBRS
  - Strong consolidated business risk profile

- **Experienced Management Team**
  - 30 years of experience in the power generation sector
  - Entrepreneurial spirit is core element of corporate culture throughout APUC’s business groups

---

Appendix A – Reconciliation of Non-GAAP Financial Measures
Reconciliation of Adjusted EBITDA to Net Earnings

The following table is derived from and should be read in conjunction with the consolidated statement of operations. This supplementary disclosure is intended to more fully explain disclosures related to Adjusted EBITDA and provides additional information related to the operating performance of APUC. Investors are cautioned that this measure should not be construed as an alternative to U.S. GAAP consolidated net earnings.

<table>
<thead>
<tr>
<th>(all dollar amounts in USD millions)</th>
<th>Twelve Months Ended Dec 31</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net earnings attributable to shareholders</td>
<td></td>
<td>$185.0</td>
<td>$149.5</td>
</tr>
<tr>
<td>Add (deduct):</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net earnings attributable to non-controlling interest, exclusive of HLBV</td>
<td></td>
<td>4.8</td>
<td>2.4</td>
</tr>
<tr>
<td>Income tax expense</td>
<td></td>
<td>53.4</td>
<td>73.4</td>
</tr>
<tr>
<td>Interest expense on Conv. Debs &amp; acquisition financing costs</td>
<td></td>
<td>—</td>
<td>13.4</td>
</tr>
<tr>
<td>Interest expense on long-term debt and others</td>
<td></td>
<td>152.1</td>
<td>142.4</td>
</tr>
<tr>
<td>Other losses (gains)</td>
<td></td>
<td>2.7</td>
<td>0.7</td>
</tr>
<tr>
<td>Acquisition-related costs</td>
<td></td>
<td>0.7</td>
<td>47.7</td>
</tr>
<tr>
<td>Pension and post-employment non-service costs¹</td>
<td></td>
<td>3.9</td>
<td>9.0</td>
</tr>
<tr>
<td>Change in value of investment in Atlantica carried at fair value</td>
<td></td>
<td>138.0</td>
<td>—</td>
</tr>
<tr>
<td>Costs related to tax equity financing</td>
<td></td>
<td>1.3</td>
<td>1.8</td>
</tr>
<tr>
<td>Loss (gain) on derivative financial instruments</td>
<td></td>
<td>0.6</td>
<td>(1.9)</td>
</tr>
<tr>
<td>Realized (loss) gain on energy derivative contracts</td>
<td></td>
<td>0.1</td>
<td>(0.6)</td>
</tr>
<tr>
<td>Loss (gain) on foreign exchange</td>
<td></td>
<td>(0.1)</td>
<td>0.3</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td></td>
<td>260.8</td>
<td>251.3</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td></td>
<td><strong>$803.3</strong></td>
<td><strong>$689.4</strong></td>
</tr>
</tbody>
</table>

¹ As a result of adoption of ASU 2017-07 certain components of net benefit pension costs are considered non-service costs and are now classified outside of operating income (see annual audited financial statements note 2(a)).
### 2018 Liberty Power Group Operating Results

<table>
<thead>
<tr>
<th>(all dollar amounts in USD millions)</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong>^1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hydro</td>
<td>$42.6</td>
<td>$44.7</td>
</tr>
<tr>
<td>Wind</td>
<td>133.5</td>
<td>132.1</td>
</tr>
<tr>
<td>Solar</td>
<td>17.2</td>
<td>10.8</td>
</tr>
<tr>
<td>Thermal</td>
<td>42.1</td>
<td>30.0</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>$235.4</strong></td>
<td><strong>$217.6</strong></td>
</tr>
<tr>
<td><strong>Less:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of Sales – Energy^2</td>
<td>(5.5)</td>
<td>(5.1)</td>
</tr>
<tr>
<td>Cost of Sales – Thermal</td>
<td>(21.7)</td>
<td>(14.5)</td>
</tr>
<tr>
<td>Realized gain/(loss) on hedges</td>
<td>0.1</td>
<td>(0.7)</td>
</tr>
<tr>
<td><strong>Net Energy Sales</strong>^6</td>
<td><strong>$208.3</strong></td>
<td><strong>$197.3</strong></td>
</tr>
<tr>
<td>Renewable Energy Credits (&quot;REC&quot;)^4</td>
<td>11.0</td>
<td>13.2</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>0.9</td>
<td>0.4</td>
</tr>
<tr>
<td><strong>Total Net Revenue</strong></td>
<td><strong>$220.2</strong></td>
<td>210.9</td>
</tr>
<tr>
<td><strong>Expenses &amp; Other Income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>(71.0)</td>
<td>(66.9)</td>
</tr>
<tr>
<td>Interest, dividend, equity and other income^5</td>
<td>8.3</td>
<td>2.9</td>
</tr>
<tr>
<td>HLBV income^6</td>
<td>108.7</td>
<td>45.9</td>
</tr>
<tr>
<td><strong>Divisional Operating Profit</strong>^7,8</td>
<td><strong>$266.2</strong></td>
<td><strong>$192.8</strong></td>
</tr>
</tbody>
</table>

1. While most of the Liberty Power Group’s PPAs include annual rate increases, a change to the weighted average production levels resulting from higher average production from facilities that earn lower energy rates can result in a lower weighted average energy rate earned by the division as compared to the same period in the prior year.
2. Cost of Sales – Energy consists of energy purchases in the Maritime Region to manage the energy sales from the Tinker Hydro Facility which is sold to retail and industrial customers under multi-year contracts.
3. Qualifying renewable energy projects receive RECs for the generation and delivery of renewable energy to the power grid. The energy credit certificates represent proof that 1 MW of electricity was generated from an eligible energy source.
4. Excludes dividends received from Atlantica of which APUC owns approximately 41.5% of the common shares (see Note 8 in the annual audited consolidated financial statements).
5. HLBV income represents the value of net tax attributes earned by the Liberty Power Group in the period primarily from electricity generated by certain of its U.S. wind power and U.S. solar generation facilities.
6. Certain prior year items have been reclassified to conform to current year presentation.
7. See Non-GAAP Financial Measures.
Contact Information

David Bronicheski  
Chief Financial Officer

Arthur Kacprzak  
Vice President, Treasury and Treasurer

Luisa Read  
Vice President, Investor Relations
905-465-4500
Email: Investorrelations@apucorp.com

Corporate Information

Head Office  
Oakville, ON

Common Share Symbol  
TSX/NYSE: AQN

Subordinated Notes Symbols  
NYSE: AQNA, AQNB

Preferred Share Symbols  
TSX: AQN.PR.A, AQN.PR.D

Shares Outstanding*  
492,947,029

Share Price*  
U.S.$12.11

Market Capitalization  
U.S.$6.0 B

Dividend**  
U.S.$0.5640 per share annually

* Shares outstanding as of May 31, 2019 and price (NYSE) as of June 10, 2019.
** Annualized using Q2 2019 dividend rate.