PATTERN ENERGY GROUP INC.

BAML 2015 Alternative Energy | August 2015

SAFE HARBOR STATEMENT

The following information contains, or may be deemed to contain, "forward-looking statements" (as defined in the U.S. Private Securities Litigation Reform Act of 1995 and "forward-looking information" as defined in Canadian securities laws). The words "may," "plan," "forecast," "seek," "target," "goal," "believe," "expect," "anticipate," "intend," "estimate" and other expressions that are predictions of or indicate future events and trends and that do not relate to historical matters identify forward-looking statements. You should not place undue reliance on these forward-looking statements about Pattern Energy Group Inc. (the "Company"). By their nature, forward-looking statements are not statements of historical facts and involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future, many of which are outside the Company's control. Such risks and uncertainties could cause the actual results, performance or achievements of the Company to be materially different from its current expectations and include, but are not limited to: the Company's ability to complete construction of its construction projects and transition them into financially successful operating projects; the Company's ability to complete acquisition of power projects; fluctuations in supply, demand, prices and other conditions for electricity; the Company's electricity generation, projections thereof and factors affecting production including wind and other conditions, other weather conditions, availability and curtailment; changes in law; and the Company's ability to keep pace with and take advantage of new technologies.

In particular, this presentation contains the Company's Adjusted EBITDA and cash available for distribution, which are not generally accepted accounting principles in the United States ("U.S. GAAP"). Adjusted EBITDA and cash available for distribution have been disclosed because the Company believes that these measures may assist investors in evaluating its financial performance and its ability to pay dividends. Neither Adjusted EBITDA nor cash available for distribution should be considered the sole measure of the Company's performance and should not be considered in isolation from, or as a substitute for, the Company's U.S. GAAP measures, including, but not limited to, the most directly comparable U.S. GAAP measures, net income (loss) and net cash provided by (used in) operating activities, respectively. See pages 21-23 and the Company's annual report on Form 10-K for the year ended December 31, 2014 and Form 10-Q for the quarter ended June 30, 2015, for a reconciliation of net cash provided by operating activities to cash available for distribution and net (loss) income to adjusted EBITDA. Forward looking measures of CAFD, run-rate CAFD and CAFD per share growth are non-GAAP measures that cannot be reconciled to net cash provided by operating activates as the most directly comparable non-GAAP financial measure with unreasonable effort. A description of the adjustments to determine CAFD can be found on page 74 of the Company's 2014 Annual Report on Form 10-K and Form 10-Q for the quarter ended June 30, 2015.

All forward-looking statements speak only as of the date made, and the Company expressly disclaims any intention or obligation to revise or publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise except as may be required by applicable law. For additional information regarding known material risks that could cause the Company's actual results to differ from its projected results please read "Risk Factors" in the Company's 2014 annual report on Form 10-K and its quarterly reports on Form 10-Q for the quarters ended March 31, 2015 and June 30, 2015.

(All currencies are U.S. dollars unless specified otherwise.)

HIGHLIGHTS

PERFORMANCE

$28 M
Q2 2015 CAFD

$81-87 M
reiterated 2015 CAFD estimate

GROWTH

1,270 MW
of identified ROFO assets

SIGNIFICANT CAFD GROWTH
without further acquisitions

FLEXIBILITY

No equity needed for current commitments

Focus on existing assets and capital structure

Ability to be disciplined – asset valuations; debt funding; timing

DIVERSIFYING ASSET BASE AND MANAGING GROWTH

OWNER & OPERATOR

Pattern

PEGI : NASDAQ
PEG : TSX

DEVELOPER

Pattern Development

Privately owned
Owns ~23% of PEGI

SUCCESSES SINCE IPO

ASSET BASE

2.3 GW
owned interests

16 projects
diversified, high quality

OPERATIONS

98%+
Siemens & GE turbine
availability last three quarters

FINANCIAL

$1.45
annualized Q3 2015 dividend,
$0.363 per Class A common share

16%
increase in dividend since IPO

12-15%
updated growth target:
CAFD per share CAGR
for three years through 2017

SUCCESSES SINCE IPO (CON'T)

GROWTH

1.3 GW
identified ROFO list owned interests

5,000 MW
YE 2019 owned capacity target

PATTERN DEVELOPMENT

5,900 MW
development pipeline
(up from 4,500 MW)

FLEXIBLE
valuation and timing

EXPANDING MARKETS

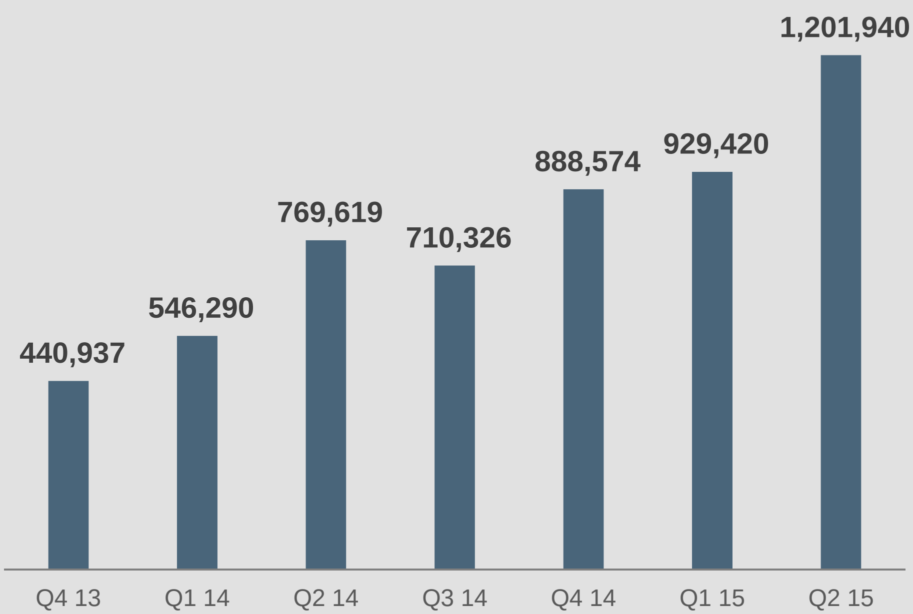
GPI
(Japan)
Pattern Development
acquired majority stake

CEMEX
(Mexico)
Pattern Development signed joint
venture with CEMEX Energía

MORE OPPORTUNITIES

DIVERSIFIED AND INCREASING ASSET BASE

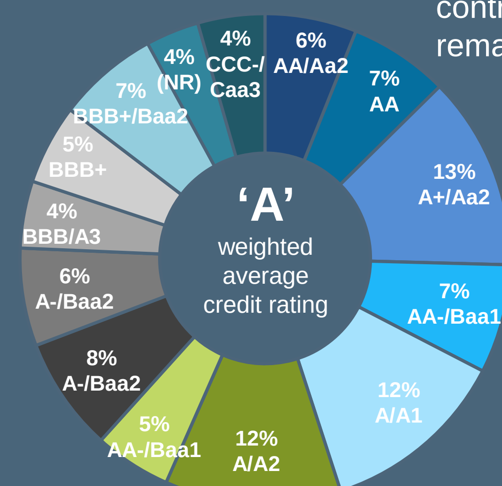
QUARTERLY PRODUCTION (MWh)



STABLE, SUSTAINABLE REVENUES

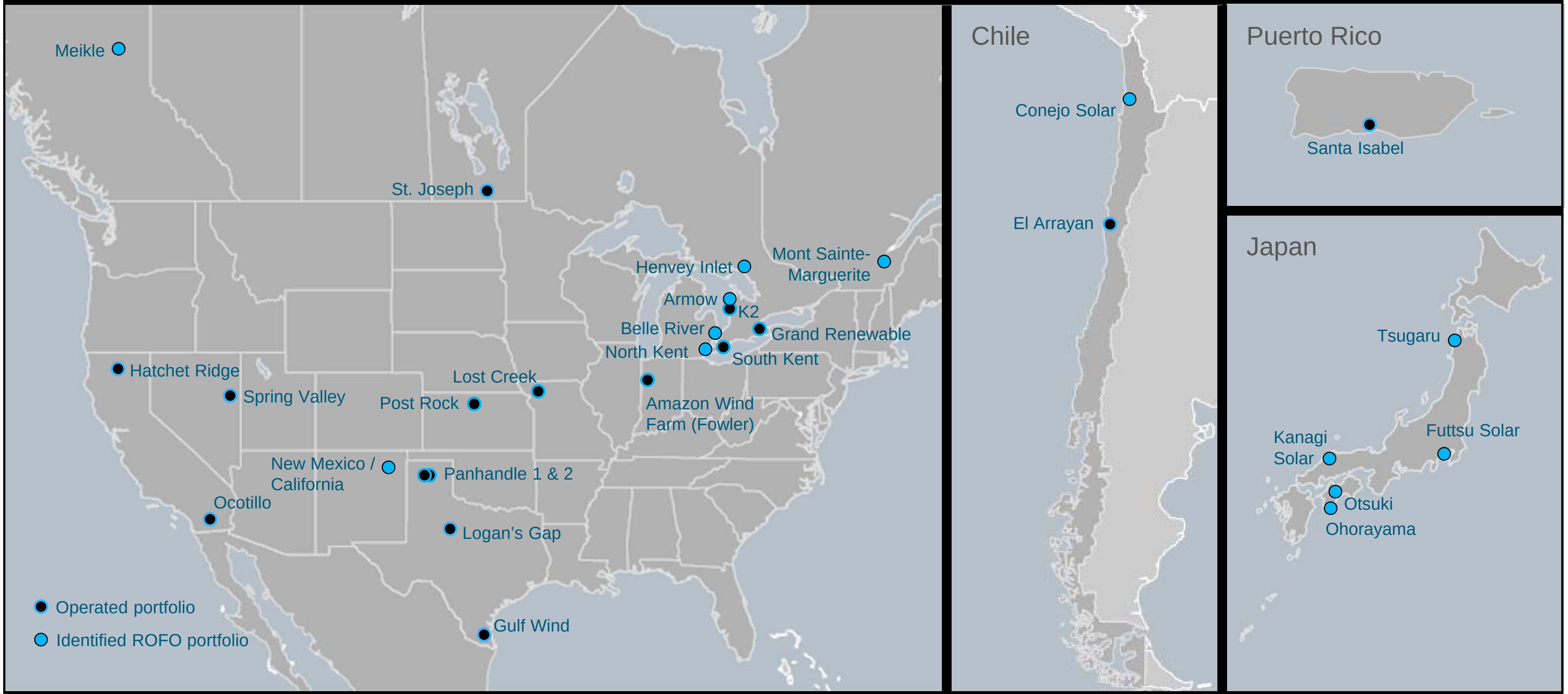
89% under contract

15 year weighted average contract life remaining



Creditworthy Off-takers
(by owned MW)

GEOGRAPHICALLY DIVERSIFIED PORTFOLIO



HIGH-QUALITY PORTFOLIO OF POWER PROJECTS

	Project size	Owned %	Owned MW	Revenue	Off-Taker	COD	Turbines	Contract Tenor	% Under Contract
Gulf Wind, TX	283	100%	283	Hedge	Credit Suisse	Jul-2009	Mitsubishi	2019	~58%
Hatchet Ridge, CA	101	100%	101	PPA	PG&E	Dec-2010	Siemens	2025	100%
St. Joseph, MB	138	100%	138	PPA	Manitoba Hydro	Apr-2011	Siemens	2039	100%
Spring Valley, NV	152	100%	152	PPA	NV Energy	Aug-2012	Siemens	2032	100%
Santa Isabel, Puerto Rico	101	100%	101	PPA	PREPA	Dec-2012	Siemens	2035	100%
Ocotillo, CA	265	100%	265	PPA	SDG&E	Dec-2012/ Jul-2013	Siemens	2033	100%
South Kent, ON	270	50%	135	PPA	IESO	Mar-2014	Siemens	2034	100%
El Arrayán, Chile	115	70%	81	Hedge	Minera Los Pelambres	Jun-2014	Siemens	2034	~74%
Panhandle 1, TX	218	79%	172	Hedge	Citigroup Energy	Jun-2014	GE	2027	~80%
Panhandle 2, TX	182	81%	147	Hedge	Morgan Stanley Affiliate	Nov-2014	Siemens	2027	~80%
Grand Renewable, ON	149	45%	67	PPA	IESO	Dec-2014	Siemens	2034	100%
Logan's Gap, TX	200	82%	164	PPA / Hedge	Walmart / Financial institution	Q4 2015E	Siemens	2025/28	~75%
Amazon Wind Farm (F), IN	150	77%	116	PPA	Amazon Web Services	Q4 2015E	Siemens	2028	100%
K2, ON	270	33%	90	PPA	IESO	Q2 2015E	Siemens	2035	100%
Post Rock, KS	201	60%	120	PPA	Westar	Oct-2012	GE	2032	100%
Lost Creek, MO	150	100%	150	PPA	Associated Electric Cooperative	May-2010	GE	2030	100%
Total Combined	**2,945**		**2,282**					**15 years**	**89%**

FINANCIALS

Q2 2015 FINANCIAL SUMMARY

USD millions (except GWh)	Q2 2015	Q2 2014	change	YTD 2015	YTD 2014	change
GWh	**1,202**	**770**	**56%**	**2,131**	**1,316**	**62%**
Revenue	**$84.7**	**$64.9**	**30%**	**$149.5**	**$114.6**	**31%**
Adjusted EBITDA[1]	**$66.8**	**$58.8**	**14%**	**$113.6**	**$96.0**	**18%**
Cash Available for Distribution[1]	**$28.0**	**$16.1**	**74%**	**$37.3**	**$33.9**	**9%**

1) See pages 21-23 for a reconciliation of Q2 2015/2104 and YTD 2015/2014 net cash provided by operating activities to Q2 2015 and YTD 2015 cash available for distribution and net (loss) income to adjusted EBITDA

PRUDENT CAPITAL STRUCTURE

CORPORATE DEBT

Conservative leverage policy targeting less than 3X borrower cash flow(1)

Short term leverage may fluctuate based on revolver utilization and start up of new projects

PROJECT DEBT

Amortizing, long-term, non-recourse project debt

Expected average annual debt service coverage ratio of 1.7X

HEDGES

Fixed rate debt or hedges on 100% of the project debt

LIQUIDITY (as of June 30, 2015, $ billions)

Unrestricted cash	**$83**
Restricted cash	**$43**
Revolver availability	**$51**
Undrawn capacity under certain project debt facilities	**$301**
Total	**$478**

CASH MANAGEMENT

80% target payout ratio of CAFD run rate

Reserving cash in strong cash flow periods

Managing liquidity

- Repricing and modifying project debt
- Increase project output via improvements and availability
- Timely reimbursements

1) Borrower cash flows are based on distributions received by the borrowers during the past twelve months

SUSTAINABLE DIVIDEND POLICY

DIVIDEND POLICY

Review financial results and prospects quarterly for dividend declaration

Consideration of any expected contribution to sustainable CAFD from projects acquired from Pattern Development or third parties

Period	Dividend per Class A share	% increase
Q1 2014	$0.3125	--
Q2 2014	$0.322	3%
Q3 2014	$0.328	2%
Q4 2014	$0.335	2%
Q1 2015	$0.342	2%
Q2 2015	$0.352	3%
Q3 2015	$0.363	3%

TARGET PAYOUT RATIO OF 80% PROVIDES DIVIDEND STABILITY AND STRONG BASE FOR GROWTH

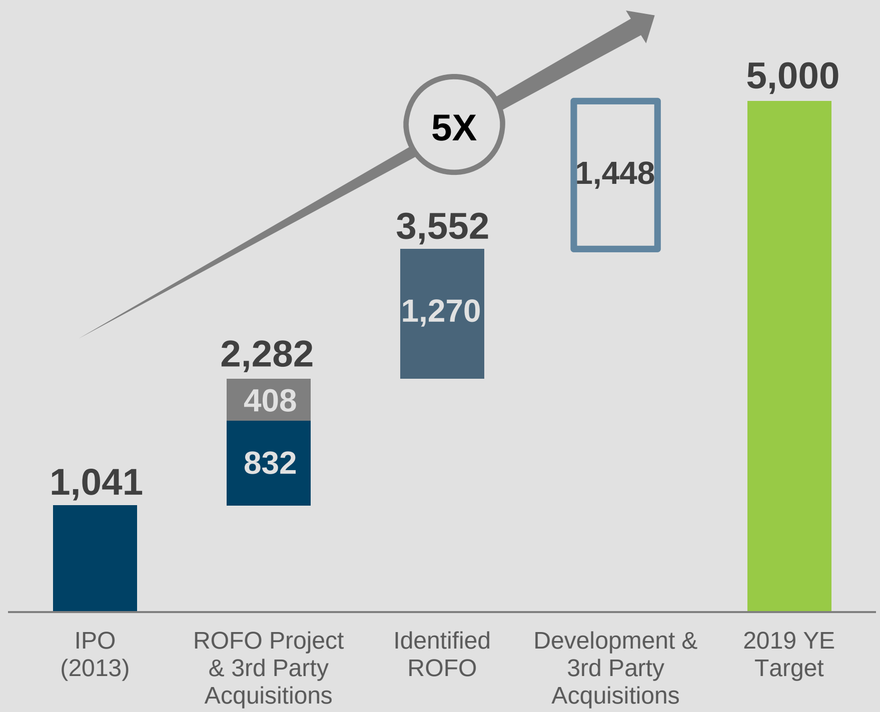
GROWTH

DISCIPLINED INVESTING

Clear investment criteria:	Sound investment guidelines:
Stable markets	Standardized assumptions
Renewable	
Controlling position	Near-term accretive to CAFD per share
Ability to build and operate	
Meaningful in scale	Attractive total returns over 25-30 years
Low risk profile	

EXPANDING OUR OUTLOOK T0 5,000 MW BY YE 2019

OWNED CAPACITY GROWTH (MW)



GROWTH STRATEGY

5,000 MW by YE 2019 to be acquired from Pattern Development or third party M&A opportunities

Only 1,448 MW of new ROFO or third party acquisitions required to meet target

Pattern Development opportunities:

- 13 identified ROFO list projects totaling 1,270 MW
- 5,900 MW development pipeline
- Expanding business into new markets

M&A opportunities:

- Large fragmented global market in Pattern Energy's core markets
- Expands Pattern Energy's growth opportunities

IDENTIFIED ROFO PORTFOLIO

Near-term opportunities through Pattern Development purchase rights

	Net owned capacity (MW)	Revenue
New Mexico/California	398	PPA[(1)]
Tsugaru	63	PPA
Ohorayama	31	PPA
Kanagi Solar	5	PPA
Futtsu Solar	17	PPA
Otsuki	12	PPA
Subtotal	526	
Armow	90	PPA
Meikle	180	PPA
Conejo Solar	84	PPA
Belle River	50	PPA
Henvey Inlet	150	PPA
Mont Sainte-Marguerite	147	PPA
North Kent	43	PPA
Subtotal	820	
Total	**1,270**	

1,270 MW
identified ROFO list
owned interest

182%
increase in total identified
ROFO capacity since IPO

832 MW
assets dropped
down since IPO

1) Terms agreed, in documentation

EXPANDING OUR CORE MARKETS

Green Power

40+ employees

25+ years of wind power experience
(starting in the Mojave Desert in mid-80s)

10+ years of experience developing wind in Japan

Senior leadership team viewed as pioneers of wind in Japan

Deep understanding of stringent environmental standards

Strong local relationships and experience in Japan

Ability to manage development

Development Bank of Japan a shareholder

CEMEX

US$12 B market cap: NYSE & MX Bolsa

One of the largest consumers of power in Mexico

One of the largest procurers of renewable energy in Mexico

Pioneer and leading player in private generation and self-supply, as well as supply to other major consumers

Strong projects grandfathered during 2015-2016 transition period to support near-term build out under existing regime

Deep development pipeline positioned for new L.I.E. market

Uniquely positioned to pursue independent developer acquisitions

STRONG PARTNERS IN INTERNATIONAL MARKETS

EXPANDING THE SUCCESS OF EXISTING STRUCTURE

Pattern

Pattern Development

- Grown from 1,041 MW to 2,282 MW
- 1,270 MW identified ROFO list
- Right of First Offer

- Shared management
- Shared expertise
- Shared space
- Clear governance practices (i.e. conflicts committee)

- 5,900 MW development pipeline
- Material ownership in Pattern Energy

PROVEN SUCCESSFUL RELATIONSHIP

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ADJUSTED EBITDA(1)
(NON-GAAP RECONCILATION)

USD, thousands (unless otherwise noted)	Three Months Ended June 30, 2015	Three Months Ended June 30, 2014	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
Net (income) loss	**$5,657**	**$7,167**	**$(16,402)**	**$(14,732)**
Plus:				
Interest expense, net of interest income	18,715	15,525	36,414	29,943
Tax provision	3,603	4,065	2,857	2,033
Depreciation, amortization and accretion	34,785	21,284	63,841	42,461
EBITDA	**$62,760**	**$48,041**	**$86,710**	**$59,705**
Unrealized loss on energy derivative	6,002	6,549	3,030	14,282
Interest rate derivative settlements	960	1,035	1,919	2,052
Unrealized (gain) loss on derivatives, net	(5,138)	2,942	(2,697)	6,665
Net loss (gain) on transactions	1,305	(14,537)	2,589	(14,537)
Plus, proportionate share from equity accounted investments:				
Interest expense, net of interest income	5,181	4,944	10,619	5,197
Tax provision	--	102	--	102
Depreciation, amortization and accretion	4,991	4,537	9,500	4,724
Unrealized (gain) loss on interest rate and currency derivatives, net	(9,240)	5,236	1,894	17,831
Realized loss on interest rate and currency derivatives	--	--	--	22
Adjusted EBITDA	**$66,821**	**$58,849**	**$113,564**	**$96,043**

CASH AVAILABLE FOR DISTRIBUTION[1]

(NON-GAAP RECONCILIATION)

USD, thousands (unless otherwise noted)	Three Months Ended June 30, 2015	Three Months Ended June 30, 2014	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
Net cash provided by operating activities	**$32,361**	**$44,417**	**$48,600**	**$60,822**
Changes in current operating assets and liabilities	2,521	(12,336)	(2,136)	(5,685)
Other	(148)	--	(292)	--
Network upgrade reimbursement	618	618	1,236	1,236
Release of restricted cash to fund general and administrative costs	1,501	7	1,501	61
Operations and maintenance capital expenditures	(283)	(40)	(321)	(94)
Transaction costs for acquisitions	1,357	1,128	1,777	1,128
Distribution from unconsolidated investments	7,771	--	13,847	--
Less:				
Distributions to noncontrolling interests	(763)	(1,470)	(1,511)	(1,470)
Principal payments paid from operating cash flows	(16,948)	(16,266)	(25,383)	(22,096)
Cash available for distribution	**$27,987**	**$16,058**	**$37,318**	**$33,902**

[1] SUMMARY NON-GAAP FINANCIAL MEASURES

Adjusted EBITDA represents net income (loss) before net interest expense, income taxes and depreciation and accretion, including our proportionate share of net interest expense, income taxes and depreciation and accretion for joint venture investments that are accounted for under the equity method. Adjusted EBITDA also excludes the effect of certain mark-to-market adjustments and infrequent items not related to normal or ongoing operations, such as early payment of debt and realized derivative gain or loss from refinancing transactions, and gain or loss related to acquisitions or divestitures. We disclose Adjusted EBITDA, which is a non-U.S. GAAP measure, because management believes this metric assists investors and analysts in comparing our operating performance across reporting periods on a consistent basis by excluding items that our management believes are not indicative of our core operating performance. We use Adjusted EBITDA to evaluate our operating performance. You should not consider Adjusted EBITDA as an alternative to net income (loss), determined in accordance with U.S. GAAP, or as an alternative to net cash provided by (used in) operating activities, determined in accordance with U.S. GAAP, as an indicator of our cash flows.

Adjusted EBITDA has limitations as an analytical tool. Some of these limitations are:

Adjusted EBITDA:

- does not reflect our cash expenditures or future requirements for capital expenditures or contractual commitments;
- does not reflect changes in, or cash requirements for, our working capital needs;
- does not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on our debt;
- does not reflect our income tax expense or the cash requirement to pay our taxes; and
- does not reflect the effect of certain mark-to-market adjustments and non-recurring items;
- although depreciation and accretion are non-cash charges, the assets being depreciated and accreted will often have to be replaced in the future, and Adjusted EBITDA does not reflect any cash requirements for such replacements; and
- other companies in our industry may calculate Adjusted EBITDA differently than we do, limiting its usefulness as a comparative measure.

Because of these limitations, Adjusted EBITDA should not be considered in isolation or as a substitute for performance measures calculated in accordance with U.S. GAAP.

Cash available for distribution represents net cash provided by (used in) operating activities as adjusted to (i) add or subtract changes in operating assets and liabilities, (ii) subtract net deposits into restricted cash accounts, which are required pursuant to the cash reserve requirements of financing agreements, to the extent they are paid from operating cash flows during a period, (iii) subtract cash distributions paid to noncontrolling interests, (iv) subtract scheduled project-level debt repayments in accordance with the related loan amortization schedule, to the extent they are paid from operating cash flows during a period, (v) subtract non-expansionary capital expenditures, to the extent they are paid from operating cash flows during a period, and (vi) adding cash distributions received from unconsolidated investments, to the extent such distributions were derived from operating cash flows, and (vii) add or subtract other items as necessary to present the cash flows we deem representative of our core business operations.

We disclose cash available for distribution because management recognizes that it will be used as a supplemental measure by investors and analysts to evaluate our liquidity. However, cash available for distribution has limitations as an analytical tool because it excludes depreciation and accretion, does not capture the level of capital expenditures necessary to maintain the operating performance of our projects, is not reduced for principal payments on our project indebtedness except to the extent it is paid from operating cash flows during a period, and excludes the effect of certain other cash flow items, all of which could have a material effect on our financial condition and results from operations. Cash available for distribution is a non-U.S. GAAP measure and should not be considered an alternative to net income (loss), net cash provided by (used in) operating activities or any other liquidity measure determined in accordance with U.S. GAAP, nor is it indicative of funds available to fund our cash needs. In addition, our calculation of cash available for distribution is not necessarily comparable to cash available for distribution as calculated by other companies. Investors should not rely on this measure as a substitute for any U.S. GAAP measure, including net income (loss) and net cash provided by (used in) operating activities.