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Sustainable Development.

**Press release
For immediate distribution**

**INNERGEX REPORTS FIRST QUARTER 2014 RESULTS
DEVELOPMENT REMAINS ON TRACK**

- Power generated increases 8% to 417 GWh for the quarter and reaches 84% of long-term average
- Revenues increase 5% to \$37.6 million and Adjusted EBITDA remains unchanged at \$25.3 million for the quarter
- Projects under development continue to advance as planned

LONGUEUIL, Quebec, May 13, 2014 - Innergex Renewable Energy Inc. (TSX: INE) ("Innergex" or the "Corporation") releases its operating and financial results for the first quarter ended March 31, 2014.

"This was another busy quarter for Innergex, as we finalized the commissioning of two hydroelectric facilities in British Columbia, we reached agreements with BC Hydro regarding two projects under development, and we signed a 20-year power purchase agreement with Hydro-Québec Distribution for a wind energy project", declares Michel Letellier, President and Chief Executive Officer of the Corporation. "While our operating results for the quarter were affected by abnormally low water flows in British Columbia, we remain completely confident in the long-term annual performance expectations of our hydroelectric facilities. We are also very pleased with the performance of our wind and solar facilities during the quarter, as we continue to benefit from the diversification of our portfolio of assets. We continue to focus on advancing our five projects under development with power purchase agreements and on preparing prospective projects for submission under the current request for proposals for new wind energy procurement in Quebec", adds Mr. Letellier.

OPERATING RESULTS

<i>Amounts shown are in thousands of Canadian dollars except as noted otherwise.</i>	Three months ended March 31	
	2014	2013
Power generated (MWh)	417,209	386,171
Long-term average (MWh)	498,964	461,529
Revenues	37,599	35,688
Adjusted EBITDA ¹	25,329	25,403
Net loss	(38,105)	(178)
Net (loss) earnings, \$ per share ²	(0.30)	0.01

	Trailing 12-months ended March 31	
	2014	2013
Free Cash Flow ¹	49,790	52,258
Payout Ratio ¹	112 %	101 %

¹ Please refer to the "Non-IFRS measures disclaimer" for the definition of Adjusted EBITDA, Free Cash Flow and Payout Ratio.

² Net (loss) earnings per share is calculated as net (loss) earnings attributable to owners of the parent, less dividends declared on preferred shares, divided by the weighted average number of common shares outstanding.

First quarter results

During the three-month period ended March 31, 2014, the Corporation's facilities produced 417 GWh of electricity, or 84% of the long-term average (LTA) of 499 GWh. Overall, the hydroelectric facilities produced 67% of their LTA, as water flows were below-average in all regions except Ontario, and especially in British Columbia. Overall, wind farms produced 105% of their LTA, due to above-average wind regimes. The Stardale solar farm produced 101% of its LTA. The 8% increase in production compared with the same period last year is attributable mainly to the addition of the Magpie hydroelectric facility acquired in July 2013 and to the better performance of the wind facilities, while the contribution from the Northwest Stave River and Kwoiek Creek hydroelectric facilities, commissioned at the end of 2013, was limited given particularly low water flows in British Columbia.

For the three-month period ended March 31, 2014, the Corporation recorded revenues of \$37.6 million, compared with \$35.7 million in 2013, corresponding to a 5% increase. This increase is attributable mainly to the contribution of the Magpie hydroelectric facility acquired in July 2013 and to the better performance of the wind facilities compared

with the same period last year. Furthermore, the smaller increase in revenues than in production during the quarter is attributable to the lower average selling price for electricity, resulting mainly from the addition of the Magpie facility, for which the selling price is considerably lower than for most other facilities of the Corporation. Adjusted EBITDA for the period was unchanged at \$25.3 million, compared with \$25.4 million for the same period last year. The fact that Adjusted EBITDA remained unchanged while revenues increased during the quarter is attributable to the higher operating, general and administrative expenses, which increased due to the greater number of facilities in operation and are not directly correlated to production levels

For the three-month period ended March 31, 2014, the Corporation recorded a net loss of \$38.1 million (basic and diluted net loss of \$0.30 per share), compared with a net loss of \$0.2 million (basic and diluted net earnings of \$0.01 per share) for the same period last year. This variation is due mainly to an unrealized net loss on derivative financial instruments of \$36.0 million resulting from a decrease in benchmark interest rates during the three-month period, compared with an unrealized net gain of \$3.8 million resulting from an increase in benchmark interest rates during the same period last year. Excluding the unrealized net loss or gain on derivative financial instruments and the related income taxes, the net loss for the three-month period ended March 31, 2014 would have been \$10.5 million, compared with a net loss of \$3.1 million in 2013, due mainly to the reasons mentioned above and to higher interest expenses, attributable to the expensing of interest on the Kwoiek Creek and Northwest Stave River loans now that the facilities are in operation and to the addition of project-level debt related to the Magpie acquisition in July 2013.

Free Cash Flow and Payout Ratio

For the trailing 12-month period ended March 31, 2014, the Corporation generated Free Cash Flow of \$49.8 million, compared with \$52.3 million for the same period last year. This decrease is due mainly to the greater scheduled debt principal payments, as cash flows from operating activities, before changes in non-cash operating working capital items and adjusted for realized losses on derivative financial instruments, remained relatively unchanged. This is attributable mainly to production being below the long-term average over a longer period during the trailing 12-month period ended March 31, 2014, compared with the same period last year, especially in the hydroelectric generation segment.

The Payout Ratio represents the dividends declared on common shares divided by Free Cash Flow. The Corporation believes it is a measure of its ability to sustain current dividends and dividend increases, as well as its ability to fund its growth. For the trailing 12-month period ended March 31, 2014, dividends declared represented 112% of Free Cash Flow, compared with 101% for the same period last year. The negative variation is due mainly to the decrease in Free Cash Flow explained above as well as to the increase in dividends declared on common shares resulting from the higher number of shares outstanding by virtue of the Dividend Reinvestment Plan.

DEVELOPMENT PROJECTS

Tretheway Creek hydroelectric project

The construction of this hydroelectric facility began in October 2013. Clearing and bulk excavation for the intake, powerhouse and penstock are nearing completion. Intake concrete placement at the intake area and penstock delivery and installation at the site have begun. Excavation and rock support at the powerhouse continue as planned. In January 2014, the Corporation for all intents and purposes completed a hedging program to fix the interest rate for this project's financing through the use of derivative financial instruments until it closes the project-level financing; this effectively eliminates the project's exposure to interest rate fluctuations.

Upper Lillooet River and Boulder Creek hydroelectric projects (the "Upper Lillooet Hydro Project")

The construction of the Upper Lillooet River and Boulder Creek hydroelectric facilities began in October 2013. As planned, construction activities had been halted for the winter period and resumed in March 2014. Clearing for the joint transmission line and access road is ongoing and site preparation is underway. Clearing and excavation for the intake, powerhouse and tunnel are expected to start in May. In January 2014, the Corporation for all intents and purposes completed a hedging program to fix the interest rate for these projects' financing through the use of derivative financial instruments until it closes the project-level financing; this effectively eliminates the projects' exposure to interest rate fluctuations. In March 2014, the Corporation announced it had reached agreements with BC Hydro regarding the Upper Lillooet Hydro Project, pursuant to which the higher installed capacities of the Upper Lillooet River and Boulder Creek projects were confirmed and the North Creek project was cancelled; these changes had been requested by the Corporation in early 2013. Also pursuant to these agreements, the commercial operation date for the Boulder Creek project will be no earlier than July 1, 2016.

Big Silver Creek hydroelectric project

The remaining permits to begin construction are in the process of being obtained and present no technical obstacles. The construction of the temporary camp commenced in early May 2014, with construction of the civil works planned to commence in June 2014. The turbine and generator supplier is continuing with design, and the civil contractor is commencing detailed design of the project components. In January 2014, the Corporation for all intents and purposes completed a hedging program to fix the interest rate for this project's financing through the use of derivative financial instruments until it closes the project-level financing; this effectively eliminates the project's exposure to interest rate fluctuations.

Mesgi'g Ugnu's'n ("MU") wind project

In March 2014, the Corporation and its Mi'gmaq partner signed a 20-year fixed-price power purchase agreement (PPA) with Hydro-Québec Distribution. Rather than a selling price of \$0.089 per kWh in 2014 dollars with an annual adjustment based on 100% of the Consumer Price Index until the end of the PPA, the Corporation opted for the equivalent in the form of a selling price of \$0.1012 per kWh in 2014 dollars with an annual adjustment based on 100% of the Consumer Price Index through the end of 2016 and on 20% thereafter until the end of the PPA; it therefore respects the maximum of \$0.09 per kWh established by the Government of Quebec under its ongoing request for proposals for 450 MW of new wind energy capacity. Furthermore, since there has been no request for a public hearing pursuant to the province's environmental review process, there will be no hearings for this project. Negotiations with potential turbine suppliers are ongoing. Pre-construction activities are expected to start in late 2014, construction is expected to start in 2015 and commercial operation is expected to begin at the end of 2016. In April 2014, the partners for all intents and purposes completed a hedging program to fix the interest rate for this project's financing through the use of derivative financial instruments until they close the project-level financing; this effectively eliminates the project's exposure to interest rate fluctuations.

SUBSEQUENT EVENTS

Discount of 2.5% granted on the purchase price of shares issued under the Dividend Reinvestment Plan (DRIP)

On May 13, 2014, the Corporation elected to grant a discount of 2.5% on the purchase price of shares issued to shareholders participating in the DRIP. Consequently, starting with the next dividend payment on July 15, 2014 to shareholders of record on June 30, 2014, the price will be the weighted-average trading price of the common shares on the Toronto Stock Exchange during the five (5) business days immediately preceding the dividend payment date, less the discount of 2.5%.

DIVIDEND DECLARATION

Dividends to preferred shareholders

On May 13, 2014, the Corporation declared a dividend of \$0.3125 per Series A preferred share payable on July 15, 2014, to Series A preferred shareholders of record at the close of business on June 30, 2014.

On May 13, 2014, the Corporation declared a dividend of \$0.359375 per Series C preferred share payable on July 15, 2014, to Series C preferred shareholders of record at the close of business on June 30, 2014.

Dividend to common shareholders

On May 13, 2014, the Corporation declared a dividend of \$0.15 per common share payable on July 15, 2014, to common shareholders of record at the close of business on June 30, 2014.

CONFERENCE CALL REMINDER

The Corporation will hold a conference call tomorrow, Wednesday May 14, 2014 **at 10:00 a.m. EDT**. The first quarter results will be presented by Mr. Michel Letellier, President and Chief Executive Officer of Innergex and by Mr. Jean Trudel, Chief Investment Officer and Senior Vice President - Communications. Investors and financial analysts are invited to access the conference call by dialing **647 427-7450** or **1 888 231-8191**. Media and the public may also access this conference call on a listen-only mode. A replay of the conference call will be available later the same day on the Corporation's website.

About Innergex Renewable Energy Inc.

Innergex Renewable Energy Inc. (TSX: INE) is a leading Canadian independent renewable power producer. Active since 1990, the Company develops, owns, and operates run-of-river hydroelectric facilities, wind farms, and solar photovoltaic farms and carries out its operations in Quebec, Ontario, British Columbia, and Idaho, USA. Its portfolio of assets currently consists of: (i) interests in 32 operating facilities with an aggregate net installed capacity of 672 MW (gross 1,164 MW), including 25 hydroelectric operating facilities, six wind farms, and one solar photovoltaic farm; (ii) interests in five projects under development or under construction with an aggregate net installed capacity of 210 MW (gross 321 MW), for which power purchase agreements have been secured; and (iii) prospective projects with an aggregate net capacity totaling 2,900 MW (gross 3,125 MW). Innergex Renewable Energy Inc. is rated BBB- by S&P and BB (high) by DBRS (unsolicited rating).

The Corporation's strategy for building shareholder value is to develop or acquire high-quality facilities that generate sustainable cash flows and provide a high return on invested capital, and to distribute a stable dividend.

Non-IFRS measures disclaimer

The consolidated financial statements for the three-month period ended March 31, 2014 have been prepared in accordance with International Financial Reporting Standards ("IFRS"). However, some measures referred to in this news release are not recognized measures under IFRS, and therefore may not be comparable to those presented by other issuers. Innergex believes that 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. Adjusted EBITDA, Free Cash Flow and Payout Ratio are not measures recognized by IFRS and have no standardized meaning prescribed by IFRS. References in this document to "Adjusted EBITDA" are to revenues less operating expenses, general and administrative expenses and prospective project expenses. References to "Free Cash Flow" are to cash flows from operations 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 cash receipts by the Harrison Hydro L.P. for the wheeling services to be provided to other facilities owned by the Corporation over the course of their PPA, plus or minus other elements such as transaction costs related to realized acquisitions (which are financed at the time of the acquisition) and realized losses or gains on derivative financial instruments used to hedge the interest rate on project-level debt. References to "Payout Ratio" are to dividends declared on common shares divided by Free Cash Flow. Readers are cautioned that Adjusted EBITDA should not be construed as an alternative to net earnings and Free Cash Flow should not be construed as an alternative to cash flows from operating activities, as determined in accordance with IFRS.

Forward-looking information disclaimer

In order to inform readers of the Corporation's future prospects, this press release contains forward-looking information within the meaning of applicable securities laws ("Forward-Looking Information"). Forward-Looking Information can generally be identified by the use of words such as "projected", "potential", "expect", "will", "should", "estimate", "forecasts", "intends", or other comparable terminology that states that certain events will or will not occur. It represents the estimates and expectations of the Corporation relating to future results and developments as of the date of this press release. It includes **future-oriented financial information**, such as estimated project costs, to inform readers of the potential financial impact of development projects. Such information may not be appropriate for other purposes.

Forward-Looking Information in this press release is based on certain key expectations and assumptions made by the Corporation. The following table outlines Forward-Looking Information contained in this press release, 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

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, the Corporation provides an estimate of project costs based on its extensive experience as a developer, directly related incremental internal costs, site acquisition costs and financing costs, which are eventually adjusted for projected costs provided by the engineering, procurement and construction (EPC) contractor retained for the project.

The Corporation provides indications regarding scheduling and construction progress for its development projects and indications regarding its Prospective Projects, based on its extensive experience as a developer.

Performance of counterparties, such as the EPC contractors
 Delays and cost overruns in the design and construction of projects
 Obtainment of permits
 Equipment supply
 Interest rate fluctuations and availability of financing
 Relationships with stakeholders
 Regulatory and political risks
 Higher-than-expected inflation

The material risks and uncertainties that may cause actual results and developments to be materially different from current expressed Forward-Looking Information are referred to in the Corporation's *Annual Information Form* in the "Risk Factors" section and include, without limitation: the ability of the Corporation to execute its strategy; its ability to access sufficient capital resources; liquidity risks related to derivative financial instruments; changes in hydrology, wind regimes and solar irradiation; delays and cost overruns in the design and construction of projects; the ability to develop new facilities; variability of installation performance and related penalties; and the ability to secure new power purchase agreements.

Although the Corporation believes that the expectations and assumptions on which Forward-Looking Information is based are reasonable, readers of this press release are cautioned not to rely unduly on this Forward-Looking Information since no assurance can be given that they will prove to be correct. 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 of this press release, unless so required by legislation.

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