



## Innergex Renewable Energy: First Quarter 2008 Results

**Longueuil, May 14, 2008 – Innergex Renewable Energy Inc.** (TSX: INE) (the “Corporation”), a developer, owner and operator of renewable power generating facilities, releases today its first quarter 2008 results.

During the first quarter 2008, the Corporation continued the construction of its projects, namely the 23-MW Umbata Falls hydroelectric project, the 109.5-MW Carleton wind farm and the 49.9-MW Ashlu Creek hydroelectric project. As forecast, the Corporation moved forward with the other projects under development having power purchase agreements (“PPA”).

“Our focus is to bring our projects with PPAs to commercial operation, while increasing our portfolio of prospective projects for the future”, remarked Mr. Michel Letellier, President and CEO of Innergex Renewable Energy Inc. “We are currently assessing the possibility of submitting some of our prospective wind and hydroelectric projects in British Columbia for the upcoming BC Hydro Call for Clean Power or future RFPs. With our proven development capacity and experience through transactions such as the proposed joint-venture with Ledcor, we are confident that Innergex’ bottom line will improve in years to come.”

The Corporation’s capacity for developing high-performance projects is leveraged with its ability to operate and maintain renewable power generating facilities. During the first quarter 2008, the Corporation supervised the operation and maintenance of its 8-MW Glen Miller hydroelectric facility and of the 12 renewable power generating facilities of Innergex Power Income Fund (the “Fund”).

The Fund is an income trust listed on the Toronto Stock Exchange to which the Corporation provides management services, and in which it holds a 16.1% interest. The Corporation includes its share of the Fund’s earnings and monthly cash distributions in its results. More information regarding the Fund may be found at [www.sedar.com](http://www.sedar.com).

### Financial Results

During the quarter ended March 31, 2008, the Corporation benefited from operating revenues generated by the Glen Miller hydroelectric facility, management fees received from the Fund and its 16.1% share in the Fund’s net results. For the corresponding quarter in 2007, the Corporation did not own any power generating facility, projects under development or units of the Fund, which mainly explains the difference between the 2008 and 2007 results.

First quarter 2008 revenues totalled \$1.0 million, compared to \$1.8 million in 2007. Revenues for the first quarter 2008 include \$0.7 million generated from the Glen Miller hydroelectric facility, \$0.6 million in management fees from the Fund, and a loss of \$0.3 million from the Corporation’s share of an entity subject to significant influence, namely the Fund. During the first quarter 2008, the Corporation was also entitled to receive its share of the Fund’s monthly cash distributions, which totalled \$1.2 million (nil in 2007). Revenues for the first quarter 2007 were mainly comprised of management fees from the Fund and Innergex II Income Fund.

For the quarter ended March 31, 2008, the Corporation posted a net loss and comprehensive loss of \$5.5 million (basic and diluted loss of \$0.23 per share). For the corresponding quarter in 2007, the net earnings and comprehensive earnings totalled \$40,306 (basic and diluted earnings of \$0.03 per share). Lower revenues and an unrealized loss on derivative financial instruments of \$6.1 million used to protect the Corporation from fluctuation in interest rates on its debt largely explain this difference. Without accounting for this unrealized loss on derivative financial instruments, net of related income tax recovery, the Corporation would have posted a net loss and comprehensive loss of \$1.1 million (basic and diluted loss of \$0.05 per share).

**Subsequent Events**

Subsequent to the end of the first quarter 2008, the Corporation announced it has reached an agreement with Leducor Power Group Ltd. to acquire 66 ⅔% of a joint venture holding rights to develop 18 run-of-river hydroelectric power projects located in British Columbia's Lower Mainland. These projects would represent a potential installed capacity of more than 200 MW and would produce more than 1,000 GW-hr of clean energy. The closing of the acquisition, which is expected during the second quarter, is subject to customary conditions for similar transactions including satisfactory due diligence review. The Corporation intends to temporarily finance the acquisition with cash on hand.

On May 5th, 2008, Hydro-Québec Distribution announced that the three wind energy projects submitted by the Corporation were not retained as part of the 2,000 MW call for tenders which closed on September 18, 2007. The Corporation is currently assessing the potential accounting impact of this announcement.

\* \* \*

**Innergex Renewable Energy Inc.** is a developer, owner and operator of hydroelectric facilities and wind energy projects in North America. The Corporation's management team has been involved in the renewable power industry since 1990. The Corporation owns a portfolio of projects which consists of one operating facility (8 MW), interests in nine development projects with power purchase agreements under construction or to be constructed between 2008 and 2012 (gross expected capacity of 565 MW), and prospective projects (gross expected capacity of more than 1,500 MW). Innergex Renewable Energy Inc. also owns 16.1% of the Innergex Power Income Fund, a publicly traded income fund listed on the Toronto Stock Exchange (IEF.UN), and acts as its manager under long-term management agreements.

***Forward-looking statements***

*Investors should note that some statements in this press release are forward-looking and may not give full weight to all potential risks and uncertainties. Forward-looking statements are, by their nature, subject to risks and uncertainties, and actual results, actions or events could materially differ from those set forth in the forward-looking statements. All forward-looking statements are only valid as of the date they were made. The Corporation does not undertake to update forward-looking statements except in accordance with applicable laws.*

- 30 -

**For more information, please contact**

Mr. Jean Trudel, MBA  
Vice President – Finance and Investor Relations  
Innergex Renewable Energy Inc.  
Tel: 450-928-2550  
jtrudel@innergex.com