Press release
For immediate distribution

Innergex Renewable Energy 2010 Q3 Results

- Q3 EBITDA increases from $11.9 million to $19.8 million year over year
- $85.0 million Series A Preferred Shares issuance
- Innergex obtains investment grade credit ratings from DBRS and Standard & Poor's
- Financing:
  - Ashlu Creek facility's non-recourse construction loan is converted to a term loan maturing in 2025
  - Baie-des-Sables term loan is converted to a revolving credit facility
- Construction advancing as planned at Montagne-Sèche and Gros-Morne Phase I and II wind farms
- Eight wind projects of 24.6 MW each submitted in the Hydro-Québec RFP, in partnership with local communities

LONGUEUIL, Québec, November 8, 2010 – Innergex Renewable Energy Inc. (TSX: INE) ("Innergex" or the "Corporation") releases today its operating and financial results for the third quarter of 2010 and for the nine-month period ending September 30, 2010.

OPERATING RESULTS

Highlights *(in thousands of Canadian dollars except as noted and amounts per share)*	Three-month period ended Sept. 30, 2010	Three-month period ended Sept. 30, 2009	Nine-month period ended Sept. 30, 2010	Nine-month period ended Sept. 30, 2009
	$	$	$	$
Power generated (MW-hr)	356,262	223,302	883,681	634,978
Long-term average (MW-hr)	358,110	210,592	943,898	632,857
Operating revenues	24,716	14,982	63,091	45,442
EBITDA	19,754	11,920	49,229	36,565
Net (loss) earnings	(10,904)	2,834	(17,927)	19,206
Net (loss) earnings per share	(0.19)	0.07	(0.33)	0.45
Adjusted net earnings	3,762	2,765	9,241	9,942
Adjusted net earnings ($ per share -basic)	0.06	0.06	0.17	0.23

For the three-month and nine-month periods ended September 30, 2010, Innergex recorded higher operating revenues and EBITDA than for the same periods in 2009. This performance is due to additional revenues resulting from the combination of Innergex Power Income Fund (the "Fund") with the Corporation (the "Combination"). The increase in revenues and EBITDA was partly offset by lower revenues from the pre-combination assets of the Fund. Revenues from the assets of the pre-Combination Innergex have been included since March 30, 2010.

Adjusted Net Earnings

Innergex believes that adjusted net earnings represent important additional information for the reader because they provide a profitability measure that excludes certain elements that have no impact on cash on hand. Adjusted net earnings exclude unrealized gains/losses on derivative financial instruments and unrealized foreign exchange gains/losses as well as any associated future income tax. When applicable, adjusted net earnings also exclude some non-recurring items. Innergex calculates adjusted net earnings as shown below:

Adjusted Net Earnings *(in thousands of Canadian dollars except as noted and amounts per share)*	Three-month period ended Sept. 30, 2010	Three-month period ended Sept. 30, 2009	Nine-month period ended Sept. 30, 2010	Nine-month period ended Sept. 30, 2009
	$	$	$	$
Net (loss) earnings	(10,904)	2,834	(17,927)	19,206
Add (deduct):				
Non-cash expense related to royalty agreement	-	-	983	-
Unrealized net loss (gain) on derivative financial instruments	20,098	793	36,240	(10,978)
Unrealized foreign exchange gain	(8)	(162)	(6)	(298)
Associated future income taxes	(5,424)	(700)	(10,049)	2,012
Adjusted net earnings	3,762	2,765	9,241	9,942
Adjusted net earnings ($ per share – basic)	0.06	0.06	0.17	0.23

For the third quarter ending September 30, 2010, adjusted net earnings increased when compared to 2009. This improvement is due to increases in revenues and EBITDA, which were partially offset by higher interest on long-term debt and convertible debentures and an increase in depreciation and amortization. All of these increases are due to the Combination.

For the nine-month period ending September 30, 2010, adjusted net earnings decreased when compared to 2009. This variation is due to increases in revenues and EBITDA, which were more than offset by higher interest on long-term debt and convertible debentures, and an increase in depreciation and amortization. All of these increases are due to the Combination. The decrease per share is due to the greater number of shares outstanding following the Combination.

Adjusted cash flows from operating activities and distributions

For the third quarter of 2010, Innergex generated $13.6 million in adjusted cash flows from operating activities ($8.4 million in 2009) and declared dividends totalling $8.6 million ($7.4 million in 2009) or $0.145 per share ($0.171 per share in 2009). For the nine-month period ended September 30, 2010, Innergex generated $36.0 million in adjusted cash flows from operating activities ($25.6 million in 2009) and declared dividends totalling $24.7 million ($22.1 million in 2009) or $0.462 per share ($0.514 per share in 2009).

Innergex issues preferred shares

On September 14, 2010, Innergex issued a total of 3,400,000 Series A Preferred Shares (“Preferred Shares”), at $25.00 per share, for aggregate gross proceeds of $85.0 million. Some of the proceeds were used to reduce indebtedness and some can be used for general corporate purposes. For the initial five-year period up to, but excluding January 15, 2016, the holders of Preferred Shares will be entitled to receive fixed cumulative preferential cash dividends, as and when declared by Innergex’s Board of Directors, payable quarterly on or about the 15th day of January, April, July and October in each year, at an annual rate equal to $1.25 per share. The initial dividend of $0.42123 per share will be payable on January 17, 2011. The Preferred Shares are traded on the TSX under the symbol INE.PR.A.

Innergex obtains credit ratings from DBRS and Standard & Poor’s

In August, Innergex was assigned a BBB- long-term corporate credit rating by Standard & Poor’s (“S&P”). S&P also assigned a BB global scale and P-3 Canada scale issue-level ratings on Innergex’s Preferred Shares. Concurrently, DBRS has assigned Innergex an Issuer Rating of BBB (low) and a rating of Pfd-3 (low) to its Preferred Shares.

As Michel Letellier, President and Chief Executive Officer of Innergex, points out: “Both S&P and DBRS ratings are a testimony to our capacity of maintaining stable results over time with a reasonable amount of financial leverage. I also believe our conservative management style has allowed our growth to be based on realistic goals and tangible results, and is key to our success". The renewable power producer's CEO adds: "We strive to making development decisions in line with our investors' best interests".

Financing Activities

On July 9, 2010, Innergex converted Ashlu Creek facility's non-recourse construction loan to a term loan maturing in 2025. The loan is secured by the Ashlu Creek hydroelectric facility and the first principal payment was made on September 30, 2010.

On September 30, 2010, Innergex amended the $52.6 million Baie-des-Sables term loan. This amendment has converted the term loan to a revolving credit facility, thereby enhancing Innergex's cash management flexibility.

Projects Under Construction

Montagne-Sèche

At the end of this quarter, more than 20% of the roads had been built, site preparation for the substation was complete and pouring of concrete for the foundations had started. During the next quarter, road building and pouring of concrete for the foundations will continue. The erection of the substation will begin.

Gros-Morne, Phase I and II

At the end of this quarter, more than 50% of roads had been built, site preparation for the substation was complete and pouring of concrete for the foundations was under way. During the next quarter, road building and pouring of concrete for the foundations will continue. The erection of the substation will begin.

In the second quarter of 2010, Innergex received a term-sheet offer from a syndicate of lenders to secure the long-term debt financing for the Gros-Morne projects. Following the issuance of the Preferred Shares, Innergex has elected to finance these projects with cash on hand and its $170 million revolving credit facilities. Innergex expects the 100.5 MW Gros-Morne Phase I project to be completed by December 1, 2011, and the Gros-Morne Phase II project to be completed by December 1, 2012.

Project Under Development

Innergex expects to issue a "Limited Notice to Proceed" to the Engineering, Procurement and Construction Contractor before the end of 2010, thereby launching the construction phase of the Kwoiek Creek run-of-river hydroelectric project (25 MW net). Construction of this facility is expected to be completed in 2013.

The Upper Lillooet (49.3 MW net), Boulder Creek (15.3 MW net) and North Creek (10.7 MW net) hydroelectric projects are beginning the permitting phase. Innergex expects Boulder Creek to start commercial operation in 2015 and North Creek and Upper Lillooet to start commercial operation in 2016.

Prospective Projects

On July 6, 2010, Innergex, in partnership with local communities, submitted eight wind projects of 24.6 MW each to the Hydro-Québec Distribution 250 MW Community Wind Request for Proposals. Power Purchase Agreements awards are expected by the end of 2010.

On July 15, 2010, BC Hydro announced its recommendations for updates and changes to its Standard Offer Program. Among other things, BC Hydro is recommending increases in pricing and permitted capacity (from 9.9 MW to 15.0 MW). Innergex is currently evaluating the impact of this announcement, as some of its Prospective Projects could be eligible under the updated program.

Dividend Declaration

On November 8, 2010, Innergex declares a dividend of $0.42123 per preferred share payable on January 17, 2011, to preferred shareholders of record at the close of business on December 31, 2010.

On November 8, 2010, Innergex declares a dividend of $0.1450 per common share payable on January 17, 2011, to common shareholders of record at the close of business on December 31, 2010.

Innergex Renewable Energy Inc. is a leading developer, owner and operator of run-of-river hydroelectric facilities and wind energy projects in North America. Innergex's management team has been involved in the renewable power industry since 1990. Innergex owns a portfolio of projects which consists of: i) interests in 17 operating facilities with an aggregate net installed capacity of 326 MW; ii) interests in 7 projects under development or under construction with an aggregate net installed capacity of 203 MW for which power purchase agreements have been secured; and iii) prospective projects of more than 2,000 MW (net).

The Corporation's unaudited consolidated financial statements and the management's discussion and analysis, can be downloaded from the Innergex website at www.innergex.com and from the SEDAR website at www.sedar.com.

NON-GAAP MEASURES

Some indicators referred to in this press release are not recognized measures under Canadian GAAP, 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 its production and cash generation capabilities and facilitate the comparison of results over different periods.

FORWARD-LOOKING INFORMATION

In order to inform shareholders of Innergex as well as potential investors on future prospects of the Corporation, sections of this news release may contain forward-looking statements within the meaning of securities legislation ("Forward-looking Statements"). Forward-looking Statements can generally be identified by the use of words and phrases, such as "may", "will", "estimate", "anticipate", "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "forecasts", "intends" or "believes", or variations of such words and phrases that state that certain events will occur. Forward-looking Statements represent, as of the date of this news release, the estimates, forecasts, projections, expectations or opinions of the Corporation relating to future events or results. Forward-looking Statements involve known and unknown risks, uncertainties and other important factors which may cause the actual results or performance to be materially different from any future results or performance expressed or implied by the Forward-looking Statements. The material risks and uncertainties which may cause the actual results and developments to be materially different from the current expressed expectations in this news release include: (i) execution of strategy, (ii) capital resources, (iii) derivative financial instruments, (iv) current economic and financial crisis, (v) hydrology and wind regime, (vi) construction and design, (vii) development of new facilities, (viii) project performance, (ix) equipment failure, (x) interest rate and refinancing risk, (xi) financial leverage and restrictive covenants, (xii) separation agreement and (xiii) relationship with public utilities. Although the Corporation believes that the expectations instigated by the Forward-looking Statements are based on reasonable and valid hypotheses, there is a risk that the Forward-looking Statements may be incorrect. The reader is cautioned not to rely unduly on these Forward-looking Statements. The Forward-looking Statements expressed verbally or in writing, by the Corporation or by a person acting on its behalf, are expressly qualified by this cautionary statement. The Corporation does not undertake any obligation to update or revise any Forward-looking Statements, whether as a result of events or circumstances occurring after the date hereof, unless required by legislation.

-30-

For more information:

Ms. Edith Ducharme, LL.L.
Director – Financial Communications and Investor Relations
Innergex Renewable Energy Inc.
Tel: (450) 928-2550, ext. 222
educharme@innergex.com
Innergex website: www.innergex.com

Mr. Jean Trudel, MBA
Vice President – Finance and Investor Relations
Innergex Renewable Energy Inc.
Tel: (450) 928-2550, ext. 252
jtrudel@innergex.com