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Sustainable Development.

News Release
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INNERGEX DELIVERS SOLID GROWTH IN 2011

POWER GENERATED INCREASES 55%
DUE TO CLOUDWORKS ACQUISITION AND FAVOURABLE HYDROLOGY AND WIND REGIMES

For the Year

- Power generated increases 55% to 1,905,426 MWh;
- Operating Revenues increase 62% to \$148.3 million and EBITDA increases 63% to \$111.2 million.

For the Fourth Quarter

- Power generated increases 18% to 403,920 MWh;
- Operating Revenues increase 24% to \$33.1 million and EBITDA increases 15% to \$21.8 million.

LONGUEUIL, Quebec, March 21, 2012 – Innergex Renewable Energy Inc. (TSX: INE) (“Innergex” or the “Corporation”) today released its operating and financial results for the fourth quarter and year ended December 31, 2011.

“The Company continues to execute its strategic plan, increasing the number of operating facilities, projects under construction and under development, as well as the pipeline of prospective projects”, stated Michel Letellier, President and Chief Executive Officer of the Corporation. The integration of the Cloudworks acquisition completed during the year contributed to the significant growth in operating revenues and earnings. Furthermore, the commissioning of two new wind farms expanded the Corporation’s portfolio of cash flow generating facilities. Mr. Letellier also noted that “2011 was extremely busy, considering that at one point we were overseeing construction on as many as six sites simultaneously, in each of our three geographic markets across Canada and in each of our three renewable energy sectors. We are very satisfied with our progress on all fronts.”

OPERATING RESULTS

Amounts shown are in thousands of Canadian dollars except as noted otherwise.

Highlights For the period ended December 31	Three-month period		Twelve-month period	
	2011	2010	2011	2010
Power generated (MWh)	403,920	343,754	1,905,426	1,227,435
Long-term average (MWh)	465,144	325,236	1,884,531	1,269,059
Operating revenues	33,134	26,831	148,260	91,385
EBITDA	21,756	18,878	111,196	68,111
Net earnings (loss)	(21,002)	14,745	(43,704)	(68,703)
Net earnings (loss), \$ per share	(0.18)	0.23	(0.59)	(1.13)
Adjusted net earnings (loss)	(6,716)	3,351	1,176	(1,169)

Annual Results

The substantial increases in power generated, operating revenues, and EBITDA recorded for the year ended December 31, 2011 result mainly from the Cloudworks acquisition made last April. These results also reflect a full year of consolidation following the strategic combination by way of reverse takeover of the Corporation by Innergex Power Income Fund in March 2010. Furthermore, power generated reached 101% of long-term average for the year as a whole.

The decrease in net loss for the year resulted in part from higher EBITDA. This earnings’ improvement was offset by higher finance costs and depreciation and amortization expenses resulting from the Cloudworks acquisition, as well as a greater unrealized net loss on derivative financial instruments caused by a decrease in benchmark

interest rates; the Corporation uses these derivative instruments to hedge the Corporation's debt against interest rate fluctuations. Since the Corporation does not use hedge accounting, changes in the fair market value of derivative financial instruments have a direct effect on net earnings. In addition, an unrealized loss of \$51.8 million on unitholders' capital was recorded in 2010, following the adoption of IFRS.

As mentioned, the Corporation uses derivative financial instruments to manage its exposure to the risk of rising interest rates on its debt financing and therefore protect the economic value of its projects. At December 31, 2011, 88% of the Corporation's actual debt and planned indebtedness were protected from interest rate increases.

Fourth Quarter Results

For the three-month period ended December 31, 2011, the increases in power generated, operating revenues, and EBITDA were due mainly to the addition of the Harrison operating facilities acquired as part of the Cloudworks acquisition. The more modest increase in EBITDA can be attributed to higher operating expenses, including planned sand removal operations at the Horseshoe Bend facility. Furthermore, power generated in the fourth quarter was below the long-term average, mainly because of weak hydrology in British Columbia.

The Corporation reported a net loss for the fourth quarter, compared to net earnings the previous year, as the increase in EBITDA was offset by higher finance costs and depreciation and amortization expenses resulting from the Cloudworks acquisition. Net losses for the quarter also resulted from a large unrealized net loss on derivative financial instruments, compared to an unrealized net gain on derivative instruments in the fourth quarter of 2010.

The Corporation believes that adjusted net earnings (loss) represent important additional information because they provide a profitability measure that excludes certain elements that have no impact on cash on hand, such as unrealized net gains or losses on derivative financial instruments, unitholders' capital, and foreign exchange, as well as the associated deferred tax impact of these items.

Adjusted Net Earnings (Loss) For the period ended December 31	Three-month period		Twelve-month period	
	2011	2010	2011	2010
Net earnings (loss)	(21,002)	14,745	(43,704)	(68,703)
Add (deduct):				
Non-cash expense related to royalty agreement	-	-	-	983
Unrealized net loss (gain) on derivative financial instruments	19,596	(15,479)	61,479	20,761
Unrealized loss on unitholders' capital	-	-	-	51,761
Unrealized net gain on foreign exchange	(27)	(20)	-	(28)
Deferred income tax expense (recovery) associated with the above elements	(5,284)	4,106	(16,599)	(5,943)
Adjusted net earnings (loss)	(6,716)	3,351	1,176	(1,169)

The Corporation also believes that adjusted cash flows from operating activities provide another important measure of its operating performance and sustainability:

Adjusted Cash Flows From Operating Activities For the period ended December 31	Twelve-month period	
	2011	2010
Cash flows from operating activities	43,445	8,163
Change in non-cash operating working capital items	23,728	21,838
Transaction costs	1,863	5,159
Distributions paid to unitholders	-	9,688
Net funds withdrawn from the reserve accounts (not funded from long-term debt)	7,989	42
Adjusted cash flows from operating activities	77,025	44,890

The improvement in adjusted cash flows from operating activities for the year ended December 31, 2011 is due mainly to the \$43.1 million increase in EBITDA compared to the previous year and to a \$7.9 million withdrawal from reserve accounts, which were partly offset by a \$19.8 million increase in interest paid.

HIGHLIGHTS OF 2011 – INNERGEX CONTINUES TO DELIVER ON ITS COMMITMENTS

Acquisition of Cloudworks Energy Inc. - Geographic diversification and a strong pipeline of development and prospective projects

On April 4, 2011, Innergex closed the acquisition of Cloudworks Energy Inc. for total consideration of \$191 million, which included a 50.01% interest in six operating run-of-river hydroelectric facilities, three wholly-owned development projects with 40 year PPAs, and over 800 MW of prospective projects in various stages of development. As of the closing date, Cloudworks' assets had increased the Corporation's net installed capacity by 23% and increased the weighted average remaining PPA term (including development projects) from 21 to 25 years. The six Harrison Operating Facilities are expected to generate approximately \$53 million in revenues annually (based on 100% ownership and including \$6 million in revenues from the ecoENERGY Program).

Acquisition of Stardale - Diversification into an additional energy source to hydro and wind

On April 20, 2011 Innergex completed the acquisition of the 33.2 MW_{DC} Stardale solar photovoltaic farm, for a total consideration of approximately \$11.8 million. Construction of the Stardale project began in November 2010; the solar farm is expected to begin commercial operations during the second quarter of 2012. All of the energy delivered by the Stardale project is covered by three Renewable Energy Standard Offer Program contracts ("RESOP" contracts) with the Ontario Power Authority ("OPA"), each with a 20-year term beginning on the commercial operation date. Stardale is expected to generate revenues of approximately \$16 million annually for the Corporation.

Approval by the Régie de l'énergie of the Viger-Denonville PPA – Growing the number of development projects

On November 22, 2011, the Corporation announced it had received approval from the Régie de l'énergie for the 20-year PPA awarded in December 2010 by Hydro-Québec in respect of the Viger-Denonville community wind farm project located in the Québec municipalities of Saint-Paul-de-la-Croix and Saint-Éphane. Developed through a 50-50 joint venture with the Rivière-du-Loup Regional County Municipality, the Viger-Denonville wind farm project will include 12 wind turbines with an installed capacity of 24.6 MW. Construction is expected to begin in the spring of 2013. The wind farm is expected to begin commercial operation in December 2013 and to generate annual revenues of approximately \$5 million for the Corporation.

Commissioning of two new wind farms – Increasing cash flow generating facilities

Located on the Gaspé Peninsula in Quebec, the Montagne Sèche and Gros-Morne I wind farms were built through the Cartier Wind Energy joint venture, in which Innergex owns a 38% interest and a 50% management stake. Both wind farms were commissioned on time and in line with budgets. The Montagne Sèche wind farm began commercial operations on November 25, 2011; with 39 wind turbines and a gross installed capacity of 58.5 MW (net 22.2 MW), it is expected to generate revenues of approximately \$5 million annually for the Corporation. The Gros-Morne I wind farm began commercial operations on November 29, 2011; with 67 wind turbines and a gross installed capacity of 100.5 MW (net 38.2 MW), it is expected to generate revenues of approximately \$8 million annually for the Corporation.

Almost \$700 million of financing raised in the capital markets

In April, Innergex completed a common share issue of \$39 million by way of private placement as part of the Cloudworks acquisition. At the same time, it completed a public offering of common shares totalling \$166 million. In July, the Corporation executed a loan agreement with Bank of Tokyo Mitsubishi UFJ, Ltd. as lead arranger and administrative agent, for the construction and long-term debt financing of the Stardale project consisting of a \$111.7 million non-recourse term loan and a \$5.6 million letter of credit facility. In August, Innergex completed the extension and refinancing of its \$170 million revolving credit facility, with a five-year \$350 million revolving term credit facility, providing improved borrowing flexibility and conditions.

DEVELOPMENT PROJECTS

Gros-Morne II wind farm

The construction of this wind farm began in the second quarter of 2010. At the end of 2011, all the foundations had been completed, all the roads had been built and the substation had been energized. As planned, construction activities have been halted for the winter period; they will resume in the spring of 2012. Innergex expects the Gros-Morne II project to be completed by December 1, 2012.

Viger-Denonville wind farm

Current activities include environmental studies, consultation with the various stakeholders and applications for obtaining the relevant permits. As of the date of this press release, the interconnection agreement with Hydro-Québec had also been concluded. Construction of this project is expected to start in the spring of 2013.

Stardale solar farm

The construction of this solar farm began in November 2010. At as December 31, 2011, 96% of inverter substation buildings and the entire substation grounding system had been completed and 24% of PV SolarWorld modules had been installed on rackings. As of the date of this press release, the vast majority of the PV modules had been installed on rackings and preparation for commissioning activities was under way. Although Innergex expects the Stardale project to be completed in the second quarter of 2012, it is scheduled to begin delivering electricity in the first quarter of 2012.

Kwoiek Creek hydroelectric facility

As at December 31, 2011, all permits had been granted and the engineering, procurement, and construction ("EPC") contractor had begun the powerhouse and penstock excavation under limited notices to proceed. During the last quarter of 2011, the turbine and power house design, the transmission line design, the transmission line clearing, and the penstock final design were done by the respective suppliers. As of the date of this press release, the EPC contractor had been given full notice to proceed and agreements with the electro mechanic and transmission line suppliers had been signed. Construction of this facility is expected to be completed by the end of the fourth quarter of 2013.

Northwest Stave River hydroelectric facility

During the last quarter of 2011, the turbine supplier was selected and the EPC contractor continued engineering and preliminary construction work under limited notices to proceed. As planned, construction activities have been halted for the winter period; they will resume in the spring of 2012. Construction of this facility is expected to be completed in the last quarter of 2013.

Boulder Creek, Tretheway Creek, North Creek, Upper Lillooet, and Big Silver-Shovel Creek hydroelectric facilities

Current activities include geotechnical analysis, hydrometric monitoring, environmental studies, consultation with the various stakeholders, applications for obtaining the relevant permits, and preliminary engineering. As of the date of this press release, applications had been submitted to the Environmental Assessment Office for the Boulder Creek, North Creek, and Upper Lillooet projects.

PROSPECTIVE PROJECTS

All of the prospective projects, with a combined potential net installed capacity of 2,844 MW (gross 2,977 MW), are in the preliminary development stage. Some prospective projects are targeted towards specific future Requests For Proposals ("RFP"), Standing Offer Programs ("SOP"), or Feed-in Tariff ("FIT") programs and others will be available for future RFPs yet to be announced. There is no certainty that any prospective project will be realized.

During 2011, the Corporation submitted four applications of 10.0 MW each under the FIT Program for solar photovoltaic projects in Ontario, bringing Innergex's total number of FIT Program applications for solar photovoltaic projects to six, with a combined capacity of 59.0 MW.

The Corporation also has several prospective projects that could be eligible under British Columbia's SOP, including at least six hydroelectric projects with a capacity of up to 15 MW each, which it continues to investigate for submission.

SUBSEQUENT EVENTS

Subsequent to December 31, 2011, the Corporation has executed two engagement letters for the construction and long-term debt financing of the Kwoeik Creek and Northwest Stave River projects, for non-recourse term loans of up to \$160 million and \$85 million, respectively.

DIVIDEND DECLARATION

Dividends to Preferred Shareholders

On March 21, 2012, the Corporation declared a dividend of \$0.3125 per Series A Preferred Share payable on April 16, 2012, to Series A preferred shareholders of record at the close of business on March 30, 2012.

Dividends to Common Shareholders

On March 21, 2012, the Corporation declared a dividend of \$0.1450 per common share payable on April 16, 2012, to common shareholders of record at the close of business on March 30, 2012.

CONFERENCE CALL REMINDER

The Corporation will hold a conference call tomorrow, Thursday, March 22, 2012 at 10:00 a.m. ET. The fourth quarter and annual results will be presented by Mr. Michel Letellier, President and Chief Executive Officer of Innergex and by Jean Trudel, Chief Investment Officer and Senior Vice President – Communications. Investors and financial analysts are invited to access the conference call by dialing **416 644-3426** or **1 800 731-5319**. Media and the public may also access this conference call, on a listen-only mode. A replay of the conference call will be available at **1 877 289-8525** (access code: **4507281#**) until March 29, 2012, at 11:59 p.m. ET.

NON-IFRS MEASURES

The consolidated financial statements for the three and twelve-month periods ended December 31, 2011 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 its production and cash generation capabilities, and facilitate the comparison of results over different periods. EBITDA, adjusted net earnings, and adjusted cash flows from operating activities are not measures recognized by IFRS and have no standardized meaning prescribed by IFRS. References in this news release to “EBITDA” are to earnings before interest, provision for income taxes, depreciation and amortization, and other items. References in this news release to adjusted net earnings and adjusted cash flows from operating activities are explained in the tables herein. Investors are cautioned that these non-IFRS measures should not be construed as an alternative to net income as determined in accordance with IFRS.

FORWARD-LOOKING INFORMATION

In order to inform shareholders of Innergex as well as potential investors in the Corporation’s future prospects, sections of this news release may contain forward-looking information within the meaning of securities legislation (“Forward-Looking Information”). Forward-Looking Information 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 Information represents, 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 Information involves 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 Information. 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, without limitation: (i) execution of strategy; (ii) capital resources; (iii) derivative financial instruments; (iv) current economic and financial crisis; (v) availability of water flows, wind and sun light; (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; and (xii) relationship with public utilities. Although the Corporation believes that the expectations instigated by the Forward-Looking

Information are based on reasonable and valid hypotheses, there is a risk that the Forward-looking Information may be incorrect. The reader is cautioned not to rely unduly on this Forward-Looking Information. The Forward-Looking Information 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 Information, whether as a result of events or circumstances occurring after the date hereof, unless required by legislation.

Innergex Renewable Energy Inc. (TSX: INE) is a leading Canadian independent renewable power producer. 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 consists of: (i) interests in 25 operating facilities with an aggregate net installed capacity of 461 MW (gross 847 MW), including 20 hydroelectric operating facilities and five wind farms; (ii) interests in 10 projects under development or under construction with an aggregate net installed capacity of 264 MW (gross 407 MW), for which power purchase agreements have been secured; and (iii) prospective projects with an aggregate net capacity totaling more than 2,844 MW (gross 2,977 MW).

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

Innergex Renewable Energy Inc. is rated BBB- by S&P and BBB (low) by DBRS.
The Corporation's Series A preferred shares (TSX: INE.PR.A) are rated P-3 by S&P and Pfd-3 (low) by DBRS.

-30-

For more information, please contact:

Marie-Josée Privyk, CFA
Director – Investor Relations
Innergex Renewable Energy Inc.
Tel.: 450 928-2550, ext. 222
mjprivyk@innnergex.com

Jean Trudel, MBA
Chief Investment Officer and
Senior Vice President - Communications
Innergex Renewable Energy Inc.
Tel.: 450 928-2550, ext. 252
jtrudel@innnergex.com

www.innergex.com