

News Release  
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## INNERGEX REPORTS THIRD QUARTER 2013 RESULTS

### STRONG RESULTS BENEFIT FROM RESOURCE AVAILABILITY AND CAPACITY ADDITIONS

- Production increases 26% for the quarter, and 20% for 9 months
- Operating revenues increase 23% to \$58.0 million for the quarter, and 21% to \$156.9 million for 9 months
- Adjusted EBITDA increases 27% to \$46.7 million for the quarter, and 24% to \$123.4 million for 9 months
- Power generated reaches 106% of long-term average for the quarter, and 100% for 9 months
- Construction begins at three hydroelectric facilities in BC in October
- The Kwoiek Creek hydroelectric facility begins producing electricity at the end of October

**LONGUEUIL, Quebec, November 5, 2013** - Innergex Renewable Energy Inc. (TSX: INE) ("Innergex" or the "Corporation") releases its operating and financial results for the third quarter ended September 30, 2013.

"Year-to-date results reflect the benefits of our geographic diversification and the complementarity of our renewable sources of energy. The Kwoiek Creek hydroelectric facility in British Columbia began producing electricity in October. We have also begun the commissioning process as planned for the Northwest Stave River hydroelectric facility in British Columbia and the Viger-Denonville wind farm in Quebec. Furthermore, we are very pleased to have begun construction on the Upper Lilloet River, Boulder Creek and Tretheway Creek hydroelectric projects in British Columbia", declares Michel Letellier, President and Chief Executive Officer of the Corporation.

### OPERATING RESULTS

<i>Amounts shown are in thousands of Canadian dollars except as noted otherwise.</i>	Three months ended September 30		Nine months ended September 30	
	2013	2012 <sup>3</sup>	2013	2012 <sup>3</sup>
Power generated (MWh)	706,496	559,383	1,885,207	1,573,379
Long-term average (MWh)	665,285	542,408	1,893,775	1,630,257
Operating revenues	58,039	47,109	156,894	129,538
Adjusted EBITDA <sup>1</sup>	46,688	36,652	123,351	99,545
Net earnings (loss)	11,147	(728)	42,008	(4,788)
Net earnings (loss), \$ per share <sup>2</sup>	0.09	(0.01)	0.38	(0.04)

<sup>1</sup> Adjusted EBITDA is defined as operating revenues less operating expenses, general and administrative expenses and prospective project expenses.

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

<sup>3</sup> 2012 results have been restated to reflect the application of IFRS 11.

#### Third quarter results

For the three-month period ended September 30, 2013, electricity production reached 706.5 GWh, or 106% of the long-term average, compared to 103% in the corresponding quarter last year. Production levels are attributable to above-average water flows across Canada and especially in Quebec and Ontario, partly offset by below-average water flows in the United States. While water flows were also above-average at most facilities in British Columbia, production levels were affected by a shutdown of Miller Creek for a capital improvement program of approximately \$7.0 million that was planned at the time this facility was acquired. Wind conditions were better-than-average at all of the Corporation's wind farms. The Stardale solar farm also benefited from better-than-average solar irradiation.

Operating revenues increased by 23% for the quarter, due mainly to better-than-average production at most of the Corporation's facilities and to contributions from the acquisition of the Brown Lake and Miller Creek hydroelectric facilities in October 2012, the addition of capacity at the Gros-Morne wind farm in November 2012 and the acquisition of the Magpie hydroelectric facility in July 2013. Adjusted EBITDA increased by 27%, due mainly to the reasons mentioned above and to lesser increases in operating and general and administrative expenses.

For the third quarter of 2013, the Corporation recorded net earnings of \$11.1 million, compared with a net loss of \$0.7 million for the same period last year, due mainly to the reasons mentioned above and to a realized net loss on the settlement of the Kwoiek Creek bond forward contracts during the third quarter of 2012, partly offset by a lower unrealized net gain on derivative financial instruments during the third quarter of 2013, compared with the same period last year. Excluding the unrealized net gains and realized net loss on derivative financial instruments and the related income taxes, the net earnings for the three-month period ended September 30, 2013 would have been \$9.4 million, compared with net earnings of \$2.7 million in 2012.

#### *Nine-month results*

For the nine-month period ended September 30, 2013, electricity production reached 1,885.2 GWh, or virtually 100% of the long-term average, compared to 97% in the corresponding period last year. In Quebec and Ontario, water flows have remained better than average since the beginning of the year. In British Columbia, above-average water flows at most facilities in the second and third quarter have only partly compensated for below-average hydrology in the first quarter, while production levels were also affected by a shutdown of Miller Creek for a capital improvement program that was planned at the time this facility was acquired. In the United States, water flows remained below average in the first and third quarters and slightly above average in the second quarter. Above-average wind conditions during the third quarter offset lower-than-average wind conditions during the first and second quarters, with the notable exceptions of Gros-Morne, which also had above-average production during the second quarter, and Carleton, which has had above-average production since the beginning of the year. The Stardale solar farm production was slightly above its long-term average, as better-than-average solar irradiation in the second and third quarters have compensated for lower production in the first quarter caused by unusually large snowfalls and extremely cold weather that slowed the removal of snow from the solar panels.

Operating revenues increased by 21% during the first nine months of the year, due mainly to contributions from the commissioning of the Stardale solar farm in May 2012, the acquisition of the Brown Lake and Miller Creek hydroelectric facilities in October 2012, additional capacity at the Gros-Morne wind farm since November 2012 and the acquisition of the Magpie hydroelectric facility in July 2013. Adjusted EBITDA increased by 24%, due mainly to the reasons mentioned above and to lesser increases in general and administrative expenses and lower prospective project expenses.

For the first nine months of 2013, the Corporation recorded net earnings of \$42.0 million, compared to a net loss of \$4.8 million in the corresponding period last year, due mainly to the reasons mentioned above as well as to a higher unrealized net gain on derivative financial instruments and a lower realized net loss on the settlement of bond forward contracts than in the same period last year. Excluding the realized net losses and the unrealized net gains on derivative financial instruments and the related income taxes, the net earnings for the nine-month period ended September 30, 2013 would have been \$19.6 million, compared with net earnings of \$3.8 million in 2012.

#### *Cash flows from operating activities*

For the nine-month period ended September 30, 2013, cash flows generated by operating activities totalled \$86.8 million (\$48.8 million in 2012). This increase is due primarily to a \$23.8 million increase in Adjusted EBITDA, a positive net variation of \$10.9 million in the realized loss on derivative financial instruments and a positive net variation of \$3.9 million in non-cash operating working capital items.

### **DEVELOPMENT PROJECTS**

#### *Kwoiek Creek hydroelectric facility*

The construction of hydroelectric facility began in the last quarter of 2011. During the third quarter, installation of the intake and penstock and construction of the powerhouse were completed, the interconnection was finalized, the transmission line was energized and the turbines were wet commissioned. Although this 49.9 MW facility has begun producing electricity, official commercial operation is expected to begin in November and will be dependent on water flows sufficient to meet the minimum production requirements stipulated under the power purchase agreement with BC Hydro.

#### *Northwest Stave River hydroelectric facility*

The construction of this hydroelectric facility began in the last quarter of 2011. Currently, installation of the intake and penstock and construction of the powerhouse have been completed, the interconnection was finalized and the transmission line was energized. Commissioning activities have begun and will continue throughout the fourth quarter. The construction of this 17.5 MW facility is progressing as scheduled and budgeted. Commercial operation is expected to begin during December and will be dependent on water flows.

#### *Viger-Denonville wind farm*

The construction of this wind farm began in the first quarter of 2013. Currently, the collector system and substation have been completed, the substation was energized and all 12 turbines have been erected. Also, on August 7, 2013, Viger-Denonville, L.P. closed a \$61.7 million long-term non-recourse project financing for this project. The construction of this 24.6 MW facility is progressing as scheduled and budgeted. Commercial operation is expected to begin before the end of 2013.

#### *Boulder Creek, North Creek, and Upper Lillooet hydroelectric facilities*

The construction of the 81.4 MW Upper Lillooet River and 25.3 MW Boulder Creek facilities began in October 2013, upon receipt of their leave to commence construction for the transmission line from the provincial government. The engineering, procurement and construction contractors and turbine suppliers have been selected. Clearing activities have begun at both sites, construction site mobilization is underway at Upper Lillooet River and access is being secured at Boulder Creek. Discussions are ongoing with BC Hydro to obtain its consent to amend the power purchase agreements to increase the installed capacity of the Upper Lillooet River and Boulder Creek projects and to cancel the North Creek project. Construction of these facilities is progressing as scheduled and budgeted.

#### *Tretheway Creek hydroelectric facility*

The construction of this hydroelectric facility began in October 2013, upon receipt of the leave to commence construction from the provincial government. Both the engineering, procurement and construction contractor and turbine supplier have been selected. Clearing activities have begun and construction site mobilization is underway. Construction of this 23.3 MW facility is progressing as scheduled and budgeted.

#### *Big Silver Creek hydroelectric facility*

The project has received its land tenure and water licence from the provincial government. The remaining permits are in the process of being obtained and present no technical obstacles. The Corporation is currently negotiating with civil works contractors, turbine and generator suppliers and transmission line contractors to obtain bids that are in line with expected project costs. Since a leave to commence construction will not be obtained prior to retaining an engineering, procurement and construction contractor, construction for this 40.6 MW project is now expected to begin in the spring of 2014; however, the Corporation does not expect this to have any impact on the commissioning date of 2016.

#### *Mesgi'g Ugju's'n ("MU") wind farm*

In May 2013, as part of its procurement plans for new wind energy, the Quebec government allocated 150 MW for a wind energy project to the Mi'gmaq communities of Quebec, with whom Innergex has a partnership. The partners will share in the distributions from the project in varying proportions, based in part on their initial equity investment. Initially, the Corporation expects to fund a majority of the equity investment required for this project; as a result, it expects to receive approximately 75% of the project's cash flows during the first year. However, during the first 15 years of operation, the Corporation's partner will have the right to gradually increase its equity investment in the project up to 65% (by purchasing portions of the Corporation's equity at a price based on the present value of future cash flows using a predetermined rate of return) and therefore receive a higher proportion of cash flows. In any event, starting in the 16th year, the Corporation will receive no less than 35% and no more than 40% of the project's annual cash flows for the remaining life of the project. The partners are in the process of negotiating the terms of a long-term power purchase agreement with Hydro-Québec Distribution. They expect to sign this power purchase agreement shortly. The environmental assessment for the project has been completed and submitted to the Ministry of Sustainable Development, Environment, Wildlife and Parks. The partners expect to start construction on this project in 2015. The start of commercial operation is expected to be in 2016 or 2017.

## **DIVIDEND DECLARATION**

#### *Dividends to preferred shareholders*

On November 5, 2013, the Corporation declared a dividend of \$0.3125 per Series A preferred share payable on January 15, 2014, to Series A preferred shareholders of record at the close of business on December 31, 2013.

On November 5, 2013, the Corporation declared a dividend of \$0.359375 per Series C preferred share payable on January 15, 2014, to Series C preferred shareholders of record at the close of business on December 31, 2013.

#### *Dividends to common shareholders*

On November 5, 2013, the Corporation declared a dividend of \$0.145 per common share payable on January 15, 2014, to common shareholders of record at the close of business on December 31, 2013.

## CONFERENCE CALL REMINDER AND NEW TIME

The Corporation will hold a conference call tomorrow, Wednesday November 6, 2013 at 11:00 a.m. ET. The third 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 and British Columbia and in Idaho, USA. Its portfolio of assets currently consists of: (i) interests in 29 operating facilities with an aggregate net installed capacity of 617 MW (gross 1,072 MW), including 23 hydroelectric operating facilities, five wind farms, and one solar photovoltaic farm; (ii) interests in eight projects under development or under construction with an aggregate net installed capacity of 265 MW (gross 413 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 generating sustainable cash flows and providing a high return on invested capital, and to distribute a stable dividend.

### *Non-IFRS measures disclaimer*

The consolidated financial statements for the three- and nine-month periods ended September 30, 2013 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. Adjusted EBITDA is not a measure recognized by IFRS and has no standardized meaning prescribed by IFRS. References in this news release to "Adjusted EBITDA" are to operating revenues less operating expenses, general and administrative expenses and prospective project expenses. Investors are cautioned that these non-IFRS measures should not be construed as an alternative to net earnings as determined in accordance with IFRS.

### *Forward-looking information disclaimer*

In order to inform shareholders and potential investors about the Corporation's future prospects, 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 "about", "approximate", "potential", "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. Such Forward-Looking Information includes, without limitation, statements with respect to the start or completion of the construction of any of the development projects.

The Forward-Looking Information includes forward-looking financial information or financial outlook, within the meaning of securities laws, such as expected production, operating revenues, total project costs, adjusted EBITDA or results to inform investors and shareholders of the potential financial impact of development projects if and when they will reach commercial operation or expected results. Such information may not be appropriate for other purposes.

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: the ability of the Corporation to execute its strategy; the ability to access sufficient capital resources; liquidity risks related to derivative financial instruments; changes in hydrology, wind regime and solar irradiation; delays and cost overruns in the construction and design of projects; health, safety and environmental risks; uncertainty relating to development of new facilities; obtainment of permits; variability of project performance and related penalties; equipment failure; interest rate fluctuation and refinancing risk; financial leverage and restrictive covenants governing current and future indebtedness; declaration of dividends at the discretion of the board; securing new power purchase agreements; the ability to retain senior management and key employees; litigation; performance of major counterparties; relationship with stakeholders; equipment supply; changes to regulatory and political factors; the ability to secure appropriate land; reliance on power purchase agreements; reliance upon transmission systems;

water and land rental expense; assessment of water, wind and sun resources and associated electricity production; dam safety; natural disasters and force majeure; foreign exchange fluctuations; sufficiency of insurance coverage; a credit rating that may not reflect actual performance of the Corporation; potential undisclosed liabilities associated with acquisitions; integration of the facilities and projects acquired and to be acquired; failure to realize the anticipated benefits of acquisitions; fluctuation of the revenues from the Miller Creek facility based on the electricity spot price; the inability to execute a definitive agreement and close the acquisition of the Hydromega hydroelectric facilities and development project; shared transmission and interconnection infrastructure; and the introduction of solar photovoltaic power facility operation. The Forward-Looking Information is based on certain key expectations and assumptions made by the Corporation, including expectations and assumptions concerning availability of capital resources, absence of exercise of any termination right, economic and financial conditions, the success obtained in developing new facilities and the performance of operating facilities. Although the Corporation believes that the expectations and assumptions on which such Forward-Looking Information is based are reasonable, undue reliance should not be placed on the Forward-Looking Information since no assurance can be given that they will prove to be correct. The reader of this news release is cautioned not to rely unduly on this Forward-Looking Information. All Forward-Looking Information, expressed verbally or in writing by the Corporation or by a person acting on its behalf, is expressly qualified by this cautionary statement. The Forward-Looking Information contained herein is made as at the date of this news release and 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 so required by legislation.

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