PRESS RELEASE

# Boralex: Financial Results for Second Quarter of 2011

*Montréal (Québec), August 5, 2011* – Boralex Inc. ("Boralex" or the "Corporation") reported revenues totalling $54.0 million in the second quarter of 2011, up 47.1% compared with the same period of 2010 owing to the expansion in its wind power segment and asset acquisitions.

(in millions of dollars, except per share amounts)

| | **Three-month periods ended June 30** | | **Six-month periods ended June 30** | |
|---|---|---|---|---|
| | **2011** | 2010 | **2011** | 2010 |
| | | | | |
| Revenues from energy sales | **54.0** | 36.7 | **136.0** | 87.7 |
| EBITDA | **21.7** | 5.4 | **59.5** | 23.2 |
| Net earnings (loss) | **(5.1)** | (4.7) | **1.9** | (2.7) |
| per share (basic) in dollars | **(0.14)** | (0.12) | **0.05** | (0.07) |
| Cash flows from operations | **8.9** | 5.3 | **33.0** | 19.9 |

During the second quarter, Boralex recorded earnings before interest, income taxes and amortization ("EBITDA") of $21.7 million, up $16.3 million from the second quarter of 2010. This increase mostly results from the positive $11.9 million contribution stemming from the addition of the ten power stations of the Boralex Power Income Fund (the "Fund") and the $5.4 million generated by the commissioning of new wind power facilities. For the three-month period ended June 30, 2011, the Corporation recorded a net loss of $5.1 million or $0.14 per share which compares to a net loss of $4.7 million or $0.12 per share at the same period in 2010. The increase in net loss is explained by the decline in operating income from U.S. wood-residue power stations and higher financing costs arising from the issuance of convertible debentures.

"Our results for the first half of fiscal 2011 show the growing positive impact of Boralex's expansion strategy," said Patrick Lemaire, President and CEO of Boralex. "The performance of the assets acquired from the Fund coupled with the growth of our wind power portfolio lessened the impact of difficult market conditions for U.S. wood-residue power stations and rising amortization and financing expenses resulting from Boralex's recent expansion. These second quarter results were impacted by current economic conditions beyond our control," added Mr. Lemaire.

"Boralex's second quarter is usually its weakest of the year due to the seasonal nature of our operations, and 2011 was no exception," stated Boralex Vice-President and CFO Jean-François Thibodeau. "The current state of the U.S. market and wind conditions below historical averages in France compounded the effect of this seasonal cycle on our operations during the last quarter," indicated Mr. Thibodeau.

During the second quarter, Boralex commissioned its first solar power facility of 4.5 MW, on time and on budget.

*Segmented quarterly results*

The **wind** power segment continued to capitalize on the significant contribution of new wind power facilities and reported revenues and EBITDA for the second quarter of 2011 totalling $15.2 million and $12.0 million, respectively, representing increases of 65% and 69% compared with the same period of 2010. At the end of April, construction work began at the two first Seigneurie de Beaupré wind farms, in which Boralex holds a 50% stake. The Corporation and its partner expect to complete financing for the two projects by the end of 2011. Furthermore, in June 2011, the two community wind power projects developed by Boralex in conjunction with the Québec regional county municipalities of Témiscouata and La Côte-de-Beaupré both have been granted 20-year power sales contracts with Hydro-Québec Distribution.

In the **hydroelectric** segment, revenues for the second quarter of 2011 grew nearly sevenfold to $16.0 million, with EBITDA reaching $12.6 million—10.5 times higher than a year ago. The addition of the Fund's seven power stations coupled with favourable water flow conditions were behind the segment's good showing.

Boralex's **wood-residue** segment continued to weather difficult business conditions in the U.S., given currently low electricity free market selling prices and the shutdown of the Ashland power station after a sales agreement was not secured. Bear in mind that the second quarter is typically the weakest for Boralex's U.S. thermal power stations, which usually schedule periodic maintenance in the spring. Accordingly, for the three-month period ended June 30, 2011, the segment reported revenues totalling $12.5 million, down $10.4 million or 45.4% from $22.9 million for the same period a year ago.

Lastly, revenues in the **natural gas** segment stood at $10.1 million, up from $2.3 million year over year, owing to the $7.3 million contribution of the Canadian power station coupled with a $0.5 million revenue boost from the French facility. Quarterly EBITDA was $3.6 million, up $3.7 million from the same period of 2010.

***About Boralex***

*Boralex is a power producer whose core business involves developing and operating renewable energy power stations with a total installed capacity of more than 700 MW in Canada, the Northeastern United States and France. Boralex is also committed under power development projects, both independently and with European and Canadian partners, to add approximately 400 MW of power. With nearly 350 employees, Boralex is known for its diversified expertise and in-depth experience in four power generation types — wind, hydroelectric, thermal and more recently, solar. Boralex's shares and convertible debentures are listed on the Toronto Stock Exchange under the ticker symbols BLX and BLX.DB, respectively. More information is available at www.boralex.com or www.sedar.com.*

*Certain statements contained in this press release, including those regarding future results and performance, are forward-looking statements based on current expectations. The accuracy of such statements is subject to a number of risks, uncertainties and assumptions that may cause actual results to differ materially from those projected, including, but not limited to, the general impact of economic conditions, raw material price increases and availability, currency fluctuations, volatility in electricity selling prices, the company's financing capacity, negative changes in general market conditions and regulations affecting the industry, as well as other factors listed in the Company's filings with different securities commissions.*

*The summarized financial statements included in this press release also contain certain non-GAAP financial measures. To assess the performance of its assets and reporting segments, the Corporation uses EBITDA and cash flows from operations as performance measures, as defined in the accompanying financial statements. These non-GAAP measures have no standardized meaning under IFRS. As a result, these measures may not be comparable to similarly named measures used by other companies.*

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***For more information:***

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