



Borex Growth Strategy Sparks First-Quarter Earnings Surge

Montréal, Québec, May 11, 2011 – Borex Inc. (“Borex” or the “Corporation”) capitalizes on its expansion strategy, reporting net earnings for the first quarter of fiscal 2011 of \$7 million (\$0.19 per share), up 250% from \$2 million for the first quarter of fiscal 2010.

(in millions of dollars, except per share amounts)

	Quarters ended	
	March 31, 2011	March 31, 2010
Revenues from energy sales	82.0	51.0
EBITDA	37.8	17.8
Net earnings	7.0	2.0
per share (basic) in dollars	\$0.19	\$0.05
Cash flows from operations	24.1	14.5

Quarterly results

“Our first-quarter results clearly show the positive impact of Borex’s most recent expansion strategy,” said President and CEO Patrick Lemaire. The 132% expansion in Borex’s installed wind power capacity and the acquisition of Borex Power Income Fund (the “Fund”) fuelled significant growth in financial results for the first quarter of fiscal 2011.

Revenues from energy sales for the three-month period ended March 31, 2011 totalled \$82 million, up 61% from the same quarter of fiscal 2010. The inclusion of the Fund’s ten power stations contributed an additional \$30 million in revenues. More importantly, the Fund’s contribution, coupled with the effect of the Corporation’s new wind power stations, resulted in a 112% increase in EBITDA, to \$37.8 million for the first quarter of fiscal 2011. The wind power segment remains Borex’s top EBITDA growth driver. Given wind power projects under development, the segment’s leading contribution to Borex’s operating profitability is expected to grow over the next few years.

What’s more, the acquisition of the Fund provides greater stability in profit margins and cash flows. As at March 31, 2011, the Corporation recorded a 66% increase in cash flows from operations, thereby generating flexibility and financial strength to drive Borex’s future growth.

2015 Vision

Subsequent to the recent growth in its wind power segment and the acquisition of the Fund, Boralex has expanded its footprint and positioning by balancing the contribution of each of its operating segments, with a combined total of 700 MW in energy producing assets in Canada, the U.S. and France, of which 73% have long-term power sales contracts. With more than 400 MW of projects currently under development with its various partners, all of which have long-term contracts, Boralex's strategic objective of reaching 1,000 MW in operating/contracted capacity has been met. "Boralex has set a new objective of attaining an operating/contracted capacity of 1,500 MW by 2015. This growth will occur primarily in France and Canada in the wind and solar power segments and, on a smaller scale, in the hydroelectric segment," added Mr. Lemaire.

Segment performance

In examining segment results, we note that the **wind power** segment has enjoyed a performance boost with the addition of 143 MW in new assets since January 2010, consisting of 90 MW in Canada and 53 MW in France. Quarterly revenues were up 61%, with revenues from energy sales and EBITDA of \$18.3 million and \$15.1 million, respectively. Note that in the first quarter, Boralex sold the Merlin-Buxton wind power project in Ontario, realizing a \$1.8 million gain. This decision was prompted by the site's low development potential following structural changes out of Boralex control. In addition, a significant portion of the construction work at the first two Seigneurie de Beupré wind farms, with an installed capacity of 272 MW, will be completed in 2011. The construction work on several foundations and most of the road work gets underway at the end of April.

Clearly, the performance boost in the **hydroelectric** power segment for the first quarter of fiscal 2011 compared with the same period of fiscal 2010 was a key benefit of acquiring the Fund. Adding the seven hydroelectric power stations increased segment revenues fourfold to \$12.7 million, and EBITDA nearly fivefold, to \$9.1 million. In February 2011, Boralex and Hydro-Québec renewed the power sales contract for 2 MW of installed capacity at the East Angus power station in Québec for an additional 20-year period. This was Boralex's first long-term contract to be successfully renegotiated and renewed with Hydro-Québec.

Our wood-residue **thermal power** segment reported revenues totalling \$34.3 million, up 13.6% from \$30.2 million for the same period in the previous year, while EBITDA rose 3% to \$10.3 million year over year. Despite a higher average selling price, the Corporation's U.S. power stations continued to grapple with tough market conditions. In late February, Boralex entered into a two-year power sales contract for its Fort Fairfield power station in Maine. Moreover, the Ashland, Maine power station has been shut down indefinitely. This decision was prompted by the Corporation's operating strategy aimed at reducing operating costs through responsible management and minimizing the impact of a persistently fragile U.S. economy. Boralex expects performance at its Canadian power stations to hold steady or improve, particularly at the Senneterre power station, due in part to investments to secure its raw material supply. Furthermore, the Dolbeau power station was shut down as expected in April. Management continues to evaluate a number of scenarios for this facility.

Note that this quarter marked the Corporation's first financial statements prepared in accordance with International Financial Reporting Standards ("IFRS").

About Boralex

Boralex is a power producer whose core business involves developing and operating renewable energy power stations with a total installed capacity of 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 three power generation segments — wind, hydroelectric and thermal — and will add a fourth segment to its energy portfolio with the upcoming commissioning of its first solar power station. 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.

Some statements 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, fluctuations in electricity selling prices, the Corporation's financing capacity, and adverse changes in general market and industry conditions, as well as other factors listed in the Corporation's filings with various securities commissions.

The summarized financial statements included in this press release also contain certain financial measures not defined under IFRS. 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 are measures not defined under IFRS and have no standard definition under IFRS. As a result, these measures may be different from similarly titled measures used by other companies.

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