

PRESS RELEASE

Etrion Releases 2013 Results

March 12, 2014, Geneva, Switzerland – Etrion Corporation (“Etrion” or the “Company”) (TSX: ETX) (OMX: ETX), a solar independent power producer, today released its annual consolidated financial statements, related management’s discussion and analysis (“MD&A”) and annual information form (“AIF”) for the year ended December 31, 2013.

Business Development Highlights

- Chile: Partnered with Total S.A. (“Total”) to build, own and operate a 70 megawatt (“MW”) solar project in northern Chile (“Project Salvador”) owned initially 70% by Etrion, 20% by Total and 10% by Solventus Energías Renovables. Notice to proceed with construction was given to SunPower Corporation in December 2013, and site preparation works commenced in January 2014.
- Japan: Partnered with Hitachi High-Technologies Corporation (“HHT”), a subsidiary of Hitachi, Ltd., for the development, financing, construction, ownership and operation of utility-scale solar power plants in Japan. The project pipeline in Japan is expected to reach at least 100 MW of solar power generation facilities under construction or shovel-ready by 2015. Etrion and HHT have already secured the Feed-in-Tariff (“FiT”) of ¥40 (US\$0.38) per kWh and executed land agreements for two projects with a combined capacity of 34 MW, and construction is expected to begin later this year. Etrion’s ownership in the first two projects will be 85%, and HHT will own the remaining 15%.

Operational Highlights

- Production: Produced 104.9 million (2012: 107.8 million) kilowatt hours (“kWh”) of solar electricity during the year ended December 31, 2013, from 17 solar power plants in Italy.
- Plant Availability: Improved asset management in Italy with weighted average solar plant availability of 99.5% in 2013 compared to 98.9% in 2012. A solar park’s availability measures the amount of time it is able to generate power during daylight hours.

Financial Highlights

- Revenue: Generated revenues of US\$53.9 million (2012: US\$55.7 million) during the year ended December 31, 2013, from 17 solar power plants in Italy.
- EBITDA: Recognized earnings before interest, taxes, depreciation and amortization (“EBITDA”) of US\$40.4 million (2012: US\$43.1 million) during the year ended December 31, 2013.
- Project Financing: Closed project financing with the Overseas Private Investment Corporation (“OPIC”), the U.S. government’s development finance institution, to finance 70% of the approximately US\$200 million cost for Project Salvador in Chile through long-term, non-recourse project debt.
- Sale of Non-Core Assets: Sold the Company’s subsidiary, PFC Oil & Gas, CA (“PFC”), for total cash consideration of US\$5.0 million. The non-core assets were carried on Etrion’s balance sheet at US\$1.1 million, resulting in a net gain of US\$3.9 million.
- Working Capital: Closed 2013 with a cash balance of US\$94.9 million (2012: US\$37.8 million) and positive working capital of US\$47.5 million (2012: US\$17.7 million).

- **Equity Financing:** Completed an equity financing in January 2014 through a private placement of 124,633,571 new common shares issued at SEK 4.15 (approximately CAD\$0.70) per share for gross proceeds of SEK 517,229,320 (approximately US\$80.0 million).

Management Comments

Marco A. Northland, the Company's Chief Executive Officer, commented, "Our 60-megawatt portfolio of solar projects in Italy generated more than 100 million kilowatt-hours of electricity in 2013 with average plant availability of more than 99%. The Italian portfolio continues to perform better than expected, providing strong revenues, EBITDA and cash flow."

Mr. Northland continued, "2013 was a transformational year for Etrion as we made significant progress in diversifying our revenues and geographic footprint with new projects in Chile and Japan. We are focused on increasing our installed capacity and free cash flow to prepare the Company for future dividend distributions. We believe Etrion is now well-positioned in three key regions – Asia, Europe and the Americas – to expand, diversify and achieve sustainable growth."

Results

During 2013, Etrion reported a net loss of US\$10.3 million (loss per share of US\$0.05) compared to a net loss of US\$8.5 million (loss per share of US\$0.04) during 2012. The net results for 2013 were positively impacted by non-recurring items of US\$5.6 million, including the US\$3.9 million gain on the sale of PFC and the recognition of a special tax benefit of US\$1.7 million in one of the Italian operating companies. The net results for 2013 were adversely impacted by non-cash items of US\$22.2 million, including depreciation and amortization of US\$20.5 million, share-based compensation of US\$0.5 million, impairment of US\$0.8 million in connection with projects in Chile and an extraordinary equity-based fee of US\$0.7 million, offset by unrealized fair value gains associated with derivative financial instruments of US\$0.4 million.

Earnings Call

A conference call/webcast to present the Company's fourth quarter and full year 2013 results will be held on Thursday, March 13, 2014, at 10:00 a.m. Eastern Standard Time (EST) / 3:00 p.m. Central European Time (CET).

Dial-in details:

North America: +1-416-340-8061 / Toll Free: +1-866-225-0198 / Europe Toll Free: 00-800-6578-9898

Webcast:

A webcast will be available at <http://www.investorcalendar.com/IC/CEPage.asp?ID=172028>

In addition, the conference call presentation and the Company's 2013 consolidated financial statements and related documents will be available on the Company's website at www.etrion.com.

A replay of the telephone conference will be available until April 13, 2014.

Replay dial-in details:

North America: +1-905-694-9451 / Toll Free: +1-800-408-3053 / Europe Toll Free: 00-800-3366-3052

Pass code for replay: 6439478

About Etrion

Etrion Corporation is an independent power producer (IPP) that builds, owns and operates utility-scale solar power generation plants. Etrion owns 17 solar power plants in Italy with approximately 60 MW of installed capacity and is developing greenfield solar power projects in Chile and Japan. The Company is listed on the Toronto Stock Exchange in Canada and the NASDAQ OMX Stockholm exchange in Sweden under ticker symbol "ETX". Etrion's largest shareholder is the Lundin family, which owns approximately 24% of the Company's shares directly and through various trusts.

For additional information, please visit the Company's website at www.etrion.com or contact:

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Note: The capacity of power plants in this release is described in approximate megawatts on a direct current ("DC") basis, also referred to as megawatt-peak ("MWp").

Etrion discloses the information provided herein pursuant to the Swedish Securities Market Act and/or the Swedish Financial Instruments Trading Act. The information was submitted for publication in Sweden at 22:00 Central European Time on March 12, 2014.

Non-IFRS Measures:

This press release includes non-IFRS measures not defined under IFRS, specifically EBITDA and adjusted net income/loss before non-recurring and non-cash items. Non-IFRS measures have no standardized meaning prescribed under IFRS and therefore such measures may not be comparable with those used by other companies.

Adjusted net income/loss before non-recurring and non-cash items represents the Company's performance during the period/year on a cash-flow basis, excluding non-cash items, such as depreciation and amortization, share-based compensation and fair value movements associated with derivative financial instruments and non-recurring items, such as other income/expenses. Adjusted net income/loss before non-recurring and non-cash items and EBITDA are useful metrics to quantify the Company's ability to generate cash before extraordinary and non-cash accounting transactions recognized in the financial statements. In addition, EBITDA is useful to analyze and compare profitability between companies and industries because it eliminates the effects of financing and accounting policy decisions. Refer to Etrion's MD&A for the year ended December 31, 2013, for a reconciliation of the adjusted net income before non-recurring and non-cash items reported during the period/year.

Forward-Looking Information:

This press release contains certain "forward-looking information". All statements, other than statements of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future (including, without limitation, statements relating to solar electricity revenue which is subject to confirmation of both the applicable feed-in-tariff ("FiT") to which the Company is entitled by the state-owned company Gestore Servizi Energetici and the applicable spot market price by the local utilities for electricity sales to the national grid and statements relating to the anticipated size and timing of additional solar projects in Japan, the Company's growth plans and future dividend distributions) constitute forward-looking information. This forward-looking information reflects the current expectations or beliefs of the Company based on information currently available to the Company as well as certain assumptions including, without limitation, confirmation of the applicable FiT and spot market price for electricity sales, the ability of the Company to obtain required permits in a timely fashion and project financing on economic terms and the ability of the Company to identify and acquire additional solar power projects. Forward-looking information is subject to a number of significant risks and uncertainties and other factors that may cause the actual results of the Company to differ materially from those discussed in the forward-looking information, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on the Company. Factors that could cause actual results or events to differ materially from current expectations include, but are not limited to, the lack of confirmation or reduction of the applicable FiT and the spot market price for electricity sales by the designated entities, uncertainties with respect to the receipt or timing of all applicable permits for the development of projects, the risk that the Company may not be able to obtain project financing on economic terms and the risk that the Company may not be able to identify and/or acquire additional renewable energy projects on economic terms.

Any forward-looking information speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise. Although the Company believes that the assumptions inherent in the forward-looking information are reasonable, forward-looking information is not a guarantee of future performance and accordingly undue reliance should not be put on such information due to the inherent uncertainty therein.