

Etrion Releases First Quarter 2013 Results

May 13, 2013, Geneva, Switzerland – Etrion Corporation (“Etrion” or the “Company”) (TSX: ETX) (OMX: ETX), an independent solar power producer, today released its condensed consolidated interim financial statements and related management’s discussion and analysis (“MD&A”) for the three months ended March 31, 2013.

Marco A. Northland, the Company’s Chief Executive Officer, commented: *“Our results for the first quarter of 2013, were adversely impacted by poor weather conditions as well as seasonality. However, due to better weather conditions already experienced in April, we expect our yearly production to be as planned. In addition, as we add additional projects in Chile the seasonality of our business will smooth over time, positively impacting our net results and cash flow position.*

I am very excited about our first solar project in Chile, providing solar electricity to a mining company in the North. We continue to progress on the PPA negotiations and we are targeting to sign the definitive agreement during the second quarter of 2013 and then to start construction by the end of the year. Chile is a very exciting market and solar is quickly becoming a viable solution to address the Country’s growing energy demands bringing a renewable source of electricity into the energy mix. 2013 will be an exciting year as the Company identifies additional opportunities to develop its business.”

Selected Financial Information for the First Quarter 2013

	Three months ended	
	March 31	
	2013	2012
	US\$’000	US\$’000
Revenue	8,322	10,738
Gross profit	1,511	4,746
EBITDA ⁽¹⁾	4,741	9,147
EBITDA margin	57%	85%
Net Loss	(5,456)	(2,301)
Adjusted net income before non-recurring and non-cash items ⁽¹⁾	253	1,359
Operating cash flow ⁽²⁾	959	5,081
Working capital ⁽³⁾	17,021	21,910

(1) Earnings before interest, tax, depreciation and amortization (“EBITDA”) and adjusted net income before non-recurring and non-cash items are non-International Financial Reporting Standard measures (“IFRS”).

(2) Operating cash flow refers to cash flows before investing and financing activities and the effects of foreign exchange rate differences.

(3) Working capital refers to current assets less current liabilities.

Results

During the three months ended March 31, 2013, the Company reported a net loss of US\$5.5 million (loss per share of US\$0.03), compared to a net loss of US\$2.3 million (loss per share of US\$0.01) for the comparable period of 2012.

The net results for the first quarter of 2013 were adversely impacted by lower solar irradiation due to poor weather conditions as well as the effects of seasonality experienced over the year due to the variability of daily sun hours in the summer versus winter months.

In addition, the net results for the three months ended March 31, 2013, were adversely affected by non-recurring items of \$0.4 million, related to an impairment loss associated with the Company’s business development activities and non-cash items of US\$5.3 million, including depreciation and amortization of US\$5 million, unrealized fair value losses associated with derivative financial instruments of US\$0.1 million and stock-based compensation of US\$0.2 million. Excluding these non-cash items, the Company’s net income for the three months ended March 31, 2013, would have been US\$0.3 million.

Earnings Call

A conference call/webcast to present the Company's first quarter results will be held on Tuesday, May 14, 2013 at 10:00 a.m. Eastern Standard Time (EST) / 4:00 p.m. Central European Time (CET).

Dial-in details:

North America: +1-416-340-2216 / Toll Free: +1-866-226-1792 / Europe Toll Free: 00-800-9559-6849

Webcast:

A webcast will be available at <http://www.investorcalendar.com/IC/CEPage.asp?ID=170332>.

In addition, the earnings call presentation, along with the Company's condensed consolidated interim financial statements for the three months ended March 31, 2013, and related management's discussion and analysis will be available on the Company's website (www.etrion.com).

A replay of the telephone conference will be available until June 8, 2013.

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 that owns and operates renewable assets. Etrion currently owns approximately 60 MW of operational, ground-based solar photovoltaic power plants in Italy. The Company is listed on the Toronto Stock Exchange in Canada and the NASDAQ OMX Stockholm exchange in Sweden.

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

Cheryl Eversden – Chief Financial Officer

Telephone: +41 (22) 715 20 90

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 7:30 a.m. Central European Time on March 14, 2013.

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. Refer to Etrion's MD&A for the year ended December 31, 2012, 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 the expected signing of the PPA and related start date of construction of the Company's first Chilean

project 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. 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 and unexpected delays in the negotiations and execution of the PPA and resulting delays of the associated project.

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.