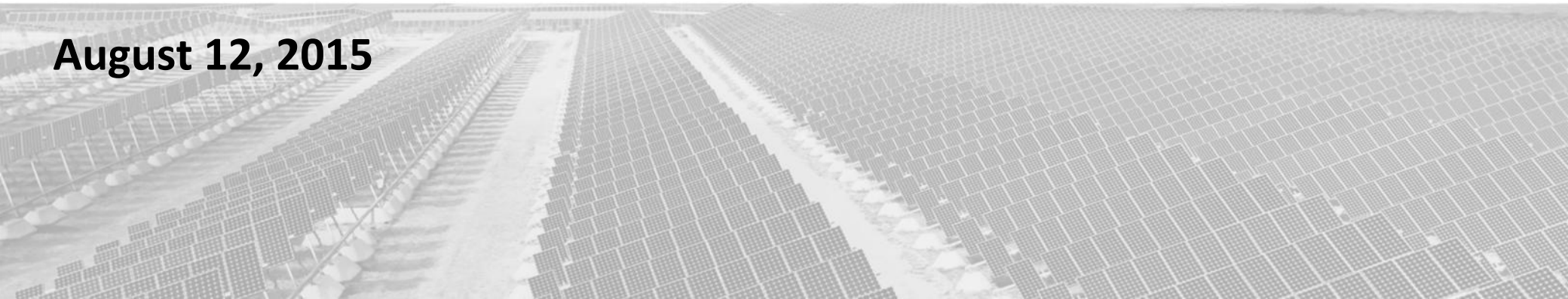




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Q2-2015 Earnings Call

August 12, 2015



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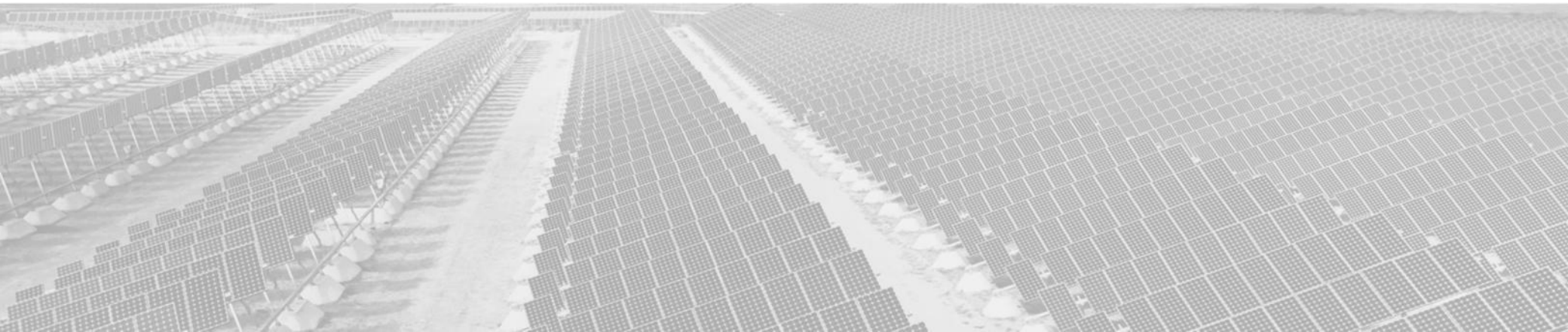
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CORPORATE OVERVIEW

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ETRION CORPORATION

Company Overview

- Independent power producer (IPP) that develops, builds, owns and operates ground-based solar photovoltaic (PV) power generation plants in three key markets (Italy, Chile and Japan)
- Listed on the Toronto Stock Exchange in Canada and the NASDAQ OMX Stockholm exchange in Sweden (ticker ETX)

Asset / Pipeline Highlights

- **Installed Capacity / Under Construction**
139 megawatts (MW) of solar PV operational in Italy, Chile and Japan with 25 MW under construction in Japan
- **Development Pipeline**
99 MW of solar PV projects shovel-ready in Chile plus 73 MW advanced-stage pipeline in Japan (66 MW expected to be shovel-ready by Q1-2016 and additional 200 MW in Japan expected to be shovel-ready or under construction by 2017)



Atacama, Chile – 70 MW Salvador

Financial Summary

Recent Share Price (TSX/OMX: ETX) C\$0.41 / SEK 2.72

Shares Outstanding 334.1MM

Lundin Family Ownership 24.3%

Other Director/Management Ownership 6.7%

Revenues 2014A US\$49.6MM

EBITDA 2014A US\$32.5MM

Net Debt US\$439.1MM

Market Capitalization US\$104.7MM

Enterprise Value US\$543.8MM

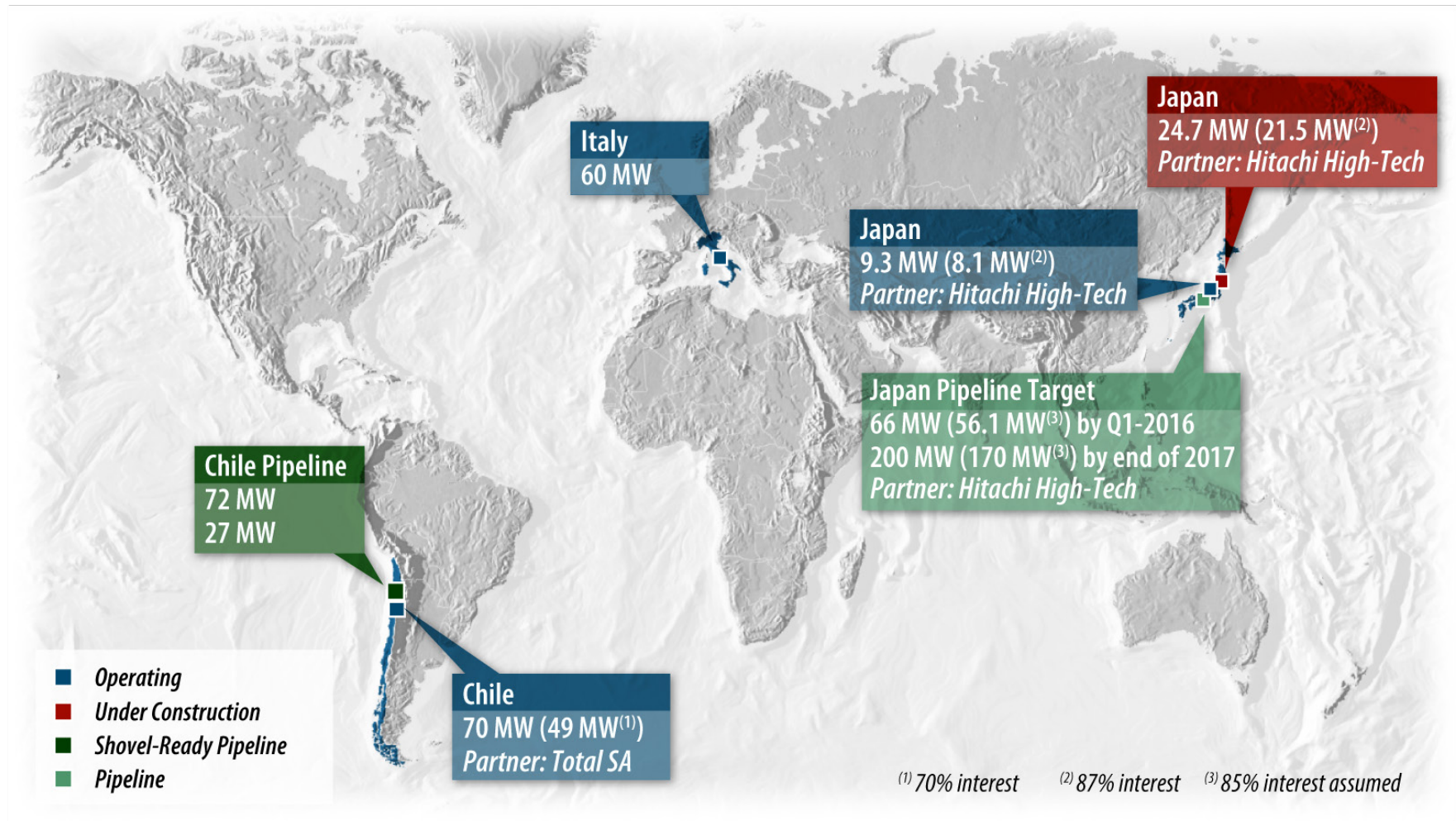
Number of Employees 35

THE **LUNDIN** GROUP
OF COMPANIES

Notes:

- (1) US\$ refers to US dollars; C\$ refers to Canadian dollars; SEK refers to Swedish krona; € refers to euros; ¥ refers to Japanese Yen
- (2) ETX share price at closing on August 11, 2015
- (3) ETX shares outstanding as of June 30, 2015
- (4) Net debt as of June 30, 2015 (cash basis) includes approximately US\$69.1MM of total cash (US\$26.5MM unrestricted cash), US\$418.7MM of non-recourse project loans and US\$89.5MM of corporate bonds. As of June 30, 2015, net debt of US\$216.7MM was associated with the 60 MW operating assets in Italy, US\$129.7 with the 70 MW operating asset in Chile and US\$29.7MM with the 34 MW assets operational or under construction in Japan
- (5) Note that 2014A Revenues and EBITDA only include the 60 MW operating assets in Italy while the Net Debt at June 30, 2015, includes assets in Chile and Japan that were not generating revenues in 2014

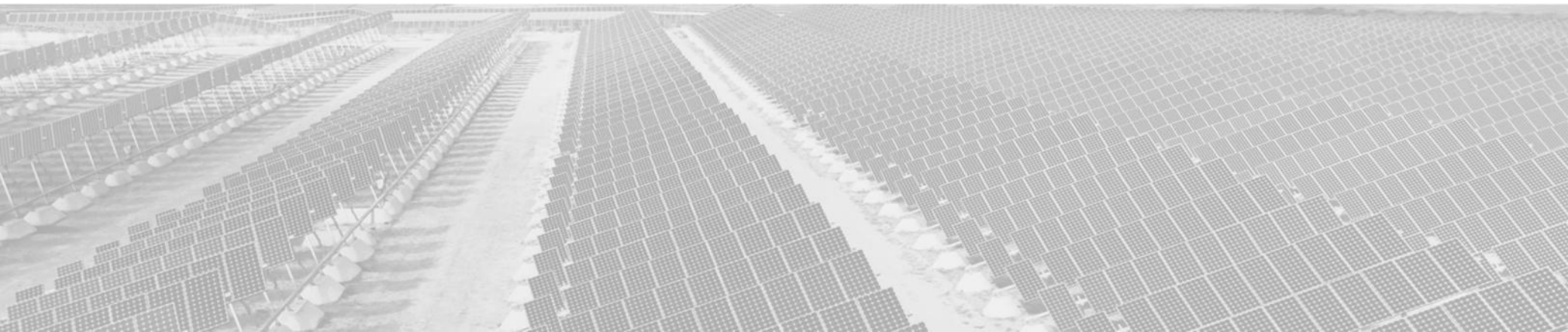
ETRION'S GLOBAL PLATFORM



- Geographic diversification across Italy, Chile and Japan
- Revenue diversification across FIT, PPAs and spot (merchant) pricing
- Etrion is constantly evaluating new opportunities in high-growth regions

OPERATIONAL & UNDER CONSTRUCTION ASSETS

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ITALIAN OPERATING ASSETS



Project	Sites	Capacity (MW) ⁽²⁾	Technology	Modules	Inverters	EPC/O&M Contractor
Cassiopea	1	24.0	Single axis	SunPower	SMA	SunPower
Helios ITA-3	2	10.0	Single axis	Yingli	Bonfiglioli	ABB
Centauro	1	8.8	Single axis	SunPower	SMA	SunPower
Helios ITA	7	6.4	Single axis	Solon	Santerno	Solon/ABB
Etrion Lazio	2	5.3	Fixed-tilt	Trina	SMA	Phoenix/SMA
SVE	3	3.0	Single axis	SunPower	Siemens	SunPower
Sagittario	1	2.6	Fixed-tilt	Trina	SMA	Phoenix/SMA
Total	17	60.1⁽¹⁾				

- 17 power plants with predictable revenues and cash flow
- 20-year FiT contract with 15 years remaining on average
- Expected to produce more than 100 million kWh of electricity per year
- Central monitoring system provides real-time visibility into plant performance (scalable platform for growth)
- Cost reduction through renegotiation of O&M contracts
- Debt refinancing underway to increase near-term cash distributions

Notes:

(1) All projects are owned 100% by Etrion.

(2) Power plant capacity is shown in MW on a direct current basis, also referred to as megawatt-peak (MWp).

CHILEAN OPERATING ASSET



SALVADOR (70 MW)

Project Details	
Status	Operational
Sites	1
Region	Atacama
Capacity	70 MW
Ownership	70% ⁽¹⁾
Technology	Single axis
Module	SunPower
Inverters	ABB
EPC / O&M	SunPower
Irradiation Yield	2,916 kWh/kWp
Revenue Stream	Merchant project in SIC network with 15-year PPA for 35% of production starting January 1, 2016
Production	200 GWh/year
Total Project Cost	USD 200 million
Start of Construction	Q4-2013
End of Construction	Q4-2014



Atacama, Chile – 70 MW Salvador

- 15-year PPA executed with EE-ERNC-1, an investment grade off-taker, for 35% of production starting January 1, 2016 at approximately \$100/MWh CPI adjusted

Note:

(1) Etrion acquired a 70% interest in the project with an equity contribution of approximately US\$42 million. Following payback of the equity contribution, Etrion's ownership will decrease to 50.01%. After 20 years of operations, Etrion's ownership will decrease to zero.

JAPANESE ASSETS



	MITO	SHIZUKUISHI
Status	Operational	Under Construction
Sites	5	1
Region	Central (Ibaraki)	North (Iwate)
Capacity	9.3 MW	24.7 MW
Ownership	87% ⁽¹⁾	87% ⁽¹⁾
Technology	Fixed-tilt	Fixed-tilt
Module	Canadian Solar	Canadian Solar
Inverters	Hitachi	Hitachi
EPC / O&M	Hitachi High-Tech	Hitachi High-Tech
Irradiation Yield	1,161 kWh/kWp	1,088 kWh/kWp
Revenue Stream	FiT: ¥40/kWh Term: 20 years	FiT: ¥40/kWh Term: 20 years
Production	10.5 GWh/year	26.1 GWh/year
Total Project Cost	¥3.4Bn	¥8.9Bn
Start of Construction	Q3-2014	Q3-2014
End of Construction	Q3-2015	Q3-2016 ⁽²⁾

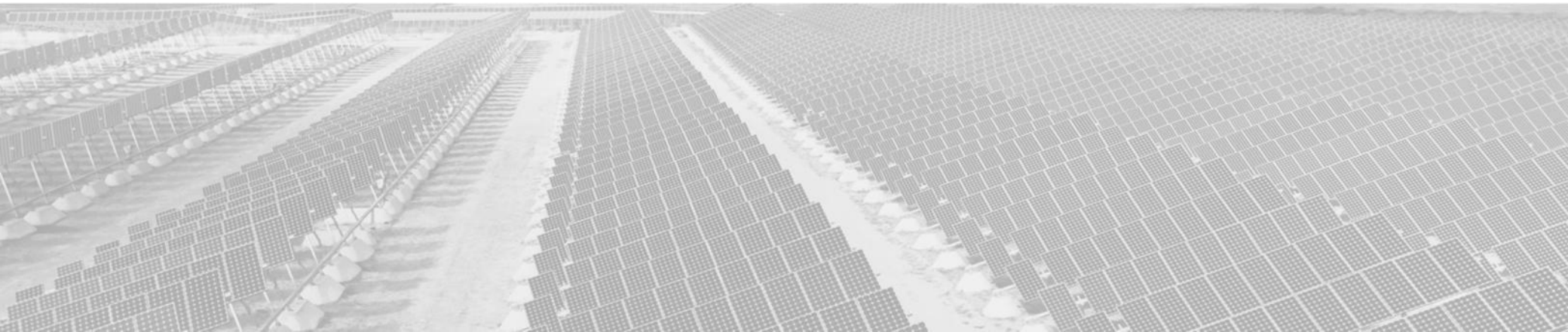
- 9.3 MW Mito project connected to grid
- 24.7 MW Shizukuishi project under construction and fully-funded

Notes:

- (1) Etrion has entered into a development agreement with Hitachi High-Tech, a subsidiary of Hitachi, Ltd, for the development, finance, construction, ownership and operation of utility-scale solar power plants in Japan. Etrion owns approximately 87% of the projects, and Hitachi High-Tech owns approximately 13%.
- (2) Shizukuishi will connect through the Tohoku Electric Power Co., Inc. utility, which requires up to 29 months for grid connection. However, construction may be accelerated.

EXPANSION PLANS

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CHILEAN SOLAR PIPELINE

#	COUNTRY	REGION	PROJECT NAME	CONTRACT REGIME	SITES	MW	STATUS	OWNERSHIP	SHOVEL-READY
1	Chile	SING (Northern)	Aguas Blancas 2A	Merchant + PPA	1	32	<ul style="list-style-type: none"> - Land concession assigned; decree expected in four months. - Environmental impact assessment received. - Interconnection contract agreed. - Mining rights secured. 	100%	Q1-2015
2	Chile	SING (Northern)	Aguas Blancas 2B	Merchant + PPA	1	24	<ul style="list-style-type: none"> - Land concession decree signed. - Environmental impact assessment received. - Interconnection contract and PPA under advanced negotiations with off-taker. - Mining rights secured. 	100%	Q1-2015
3	Chile	SING (Northern)	Aguas Blancas 2C	Merchant + PPA	1	16	<ul style="list-style-type: none"> - Land concession decree signed. - Environmental impact assessment received. - Interconnection contract agreed. - Mining rights secured. 	100%	Q1-2015
4	Chile	SIC (Central)	Las Luces I	Merchant + PPA	1	27	<ul style="list-style-type: none"> - Land concession decree signed. - Environmental impact assessment received. - Interconnection contract under advanced negotiations. - Mining rights secured. - PPA negotiations started. 	100%	Q1-2015
					4	99			

- Etrion's advanced project development pipeline in Chile includes 99 MW shovel-ready
- Construction start dates will depend on ability to secure PPAs and project financing

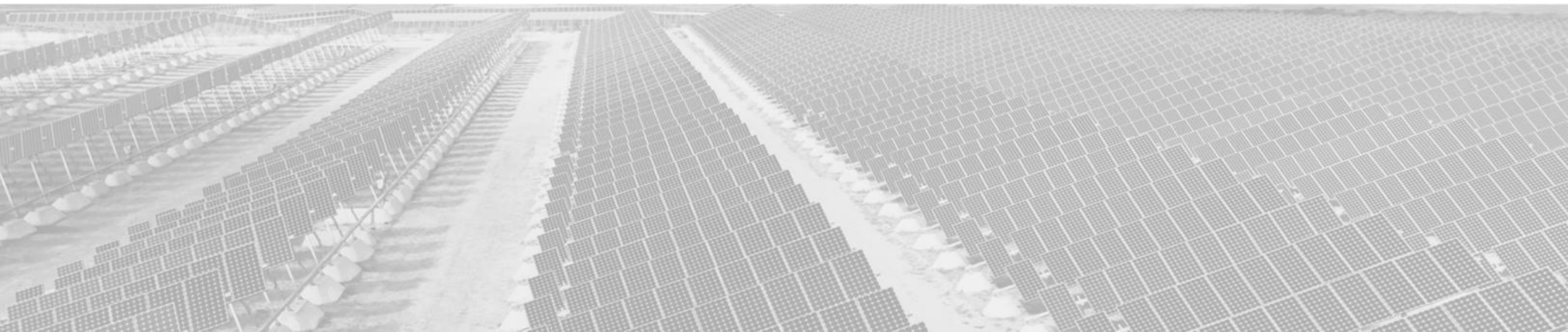
JAPANESE SOLAR PIPELINE

#	COUNTRY	REGION	PROJECT NAME	CONTRACT REGIME	SITES	MW	STATUS	OWNERSHIP	SHOVEL-READY
1	Japan	Central	Greenfield Project 1	¥32 FiT	1	13	<ul style="list-style-type: none"> - FiT secured. - Land contract pending. - Grid impact studies in progress. 	85%	Q1-2016
2	Japan	South	Brownfield Project 1	¥36 FiT	1	51	<ul style="list-style-type: none"> - Project exclusivity secured. - FiT secured. - Land contract secured. - Grid impact studies completed. 	85%	Q1-2016
3	Japan	North	Brownfield Project 2	¥36 FiT	4	9	<ul style="list-style-type: none"> - Project exclusivity secured. - FiT in secured. - Land contract secured. - Grid impact studies in progress. 	70%	Q1-2016
4	Japan					193			
						266			

- Etrion and Hitachi High-Tech have an advanced project pipeline in Japan totaling 73 MW
- Etrion and Hitachi High-Tech expect to have at least 66 MW from this advanced pipeline under construction or shovel-ready by Q1-2016
- Etrion and Hitachi High-Tech expect to have an additional 200 MW under construction or shovel-ready in Japan by the end of 2017

Q2-2015 FINANCIAL REVIEW

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Q2-15 FINANCIAL RESULTS

US\$'000	3 months	
	Q2-15	Q2-14
Revenues	17.1	17.8
Operating expenses	-2.9	-1.9
G&A expenses	-2.5	-1.8
Other income	0.0	0.2
Impairment	-2.5	0.0
EBITDA	9.2	14.2
Depreciation and amortization	-5.8	-5.3
Net finance costs	-12.0	-8.1
Income before taxes	-8.6	0.8
Tax expense	-1.5	-2.2
Net results	-10.1	-1.4
<hr/>		
EBITDA margin	54%	80%
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EBITDA	9.2	14.2
Impairment	2.5	0.0
Adjusted EBITDA	11.7	14.2
Adjusted EBITDA margin	69%	80%

- Revenues – lower due to the devaluation of Euro versus USD and the 8% reduction in the FiT in Italy, partially offset by the addition of Project Salvador in Chile and Mito in Japan as well as higher production in Italy.
- Operating expenses – higher due to addition of Project Salvador in Chile, partially offset by FX differences from the Italian projects.
- G&A – higher mainly due to 1) impact of revaluation of the Swiss franc versus Euro (corporate office salaries) 2) lower project capitalizations and 3) higher stock-based compensation expense due to the new RSU compensation plan, partially offset by FX differences.
- Impairment – recognition of extraordinary loss due to write-off of capitalized development costs in Chile.
- Depreciation – increase mainly due to addition of Project Salvador, partially offset by FX differences and extension of useful life of solar assets in Italy.
- Net finance costs – higher mainly due to interest expenses associated with Project Salvador in Chile and foreign exchange losses as a result of the approximately 4% recovery of Euro versus USD during Q2-15.
- Net income tax expense – decreased due to lower taxable gains at the project level in Italy, reduction of the applicable tax rate in Italy from 34% to 27.5% and recognition of tax benefit from Salvador’s operating losses.

Q2-15 FINANCIAL POSITION

US\$'000	Jun-15	Dec-14
Assets		
Property plant and equipment	473,598	477,655
Intangible assets	27,352	30,942
Deferred tax assets	11,982	14,426
Trade and other receivables	2,513	2,822
Total non-current assets	515,445	525,845
Trade and other receivables	57,322	46,918
Cash and cash equivalents	69,063	95,349
Current assets	126,385	142,267
Total assets	641,830	668,112
Liabilities		
Borrowings	484,249	454,969
Derivative financial instruments	35,921	47,192
Deferred tax liabilities	427	480
Provisions and other liabilities	27,983	26,724
Total non-current liabilities	548,580	529,365
Trade payables	12,562	24,110
Current tax liabilities	1,902	458
Borrowings	42,649	70,282
Derivative financial instruments	7,969	8,203
Provisions and other liabilities	1,623	2,764
Total current liabilities	66,705	105,817
Total liabilities	615,285	635,182
Total equity	26,545	32,930

- Working capital of US\$59.6 million and cash on hand of US\$69.1 million (US\$26.5 million unrestricted at the parent level) at June 30, 2015.
- PP&E – lower mainly due to the approximately 9% devaluation of the Euro vs USD (Dec-14 to Jun-15) and depreciation of operational assets in Italy and Chile, partially offset by construction costs for Japanese projects.
- Intangible assets – lower mainly due to 9% devaluation of the Euro vs USD and amortization of operational assets in Italy and Chile.
- Trade and other receivables – higher mainly due to input VAT related to the construction of Mito and Shizukuishi in Japan and the 90/10 delayed FIT payment mechanism in Italy.
- Long-term borrowings – higher due to additional funds drawn under Mito and Shizukuishi credit facilities and reclassification of Helios ITA credit facility from short-term to long-term following the bank waiver received in February 2015, partially offset by the 9% devaluation of the Euro vs USD.
- Short-term borrowings – lower due to the reclassification from short-term to long-term of the Helios ITA credit facility due to the waiver received in February 2015.
- Derivative financial instruments – lower mainly due to 9% devaluation of the Euro vs USD, partially offset by the increase in Euribor 6-month interest rate affecting interest rate swaps for Italian portfolio (Project Salvador in Chile has fixed-rate debt).

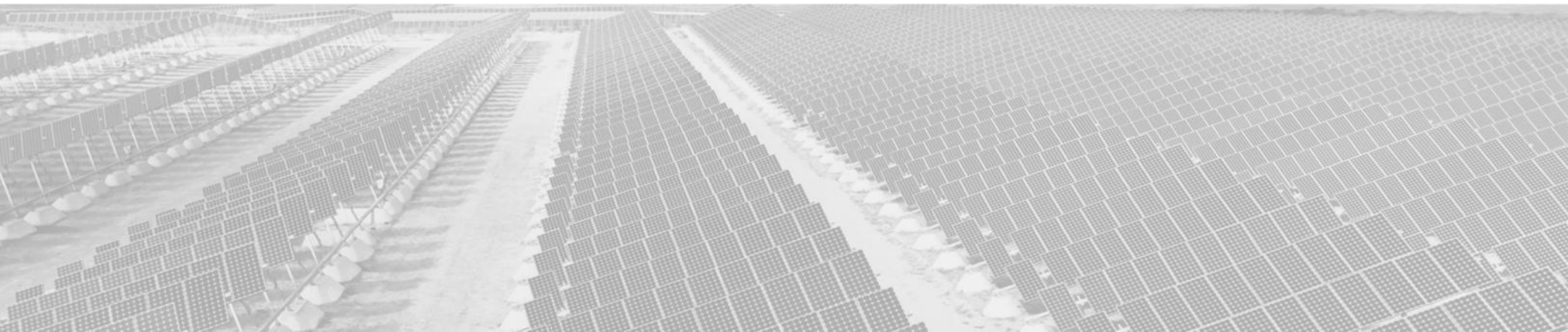
Q2-15 CASH FLOW STATEMENT

US\$'000	Restricted	Unrestricted	Total
December 31, 2014 cash balance	61.5	33.9	95.3
Project level EBITDA	21.1		21.1
Project cash distributions	-3.4	3.4	0.0
Corporate G&A		-3.8	-3.8
Cash from operations before working capital	17.8	-0.4	17.4
Taxes paid	-0.4	-0.3	-0.7
Working capital	-27.3		-27.3
Operating cash flow	-9.9	-0.7	-10.6
Capital expenditures	-24.1	-0.7	-24.8
Proceeds from bank loans	37.5		37.5
Interest on non-recourse project loans	-13.1		-13.1
Repayment of bank loans	-7.3		-7.3
Interest on corporate bond		-3.6	-3.6
Financing cash flow	17.1	-3.6	13.5
Exchange rate differences	-2.0	-2.4	-4.4
June 30, 2015 cash balance	42.5	26.5	69.1

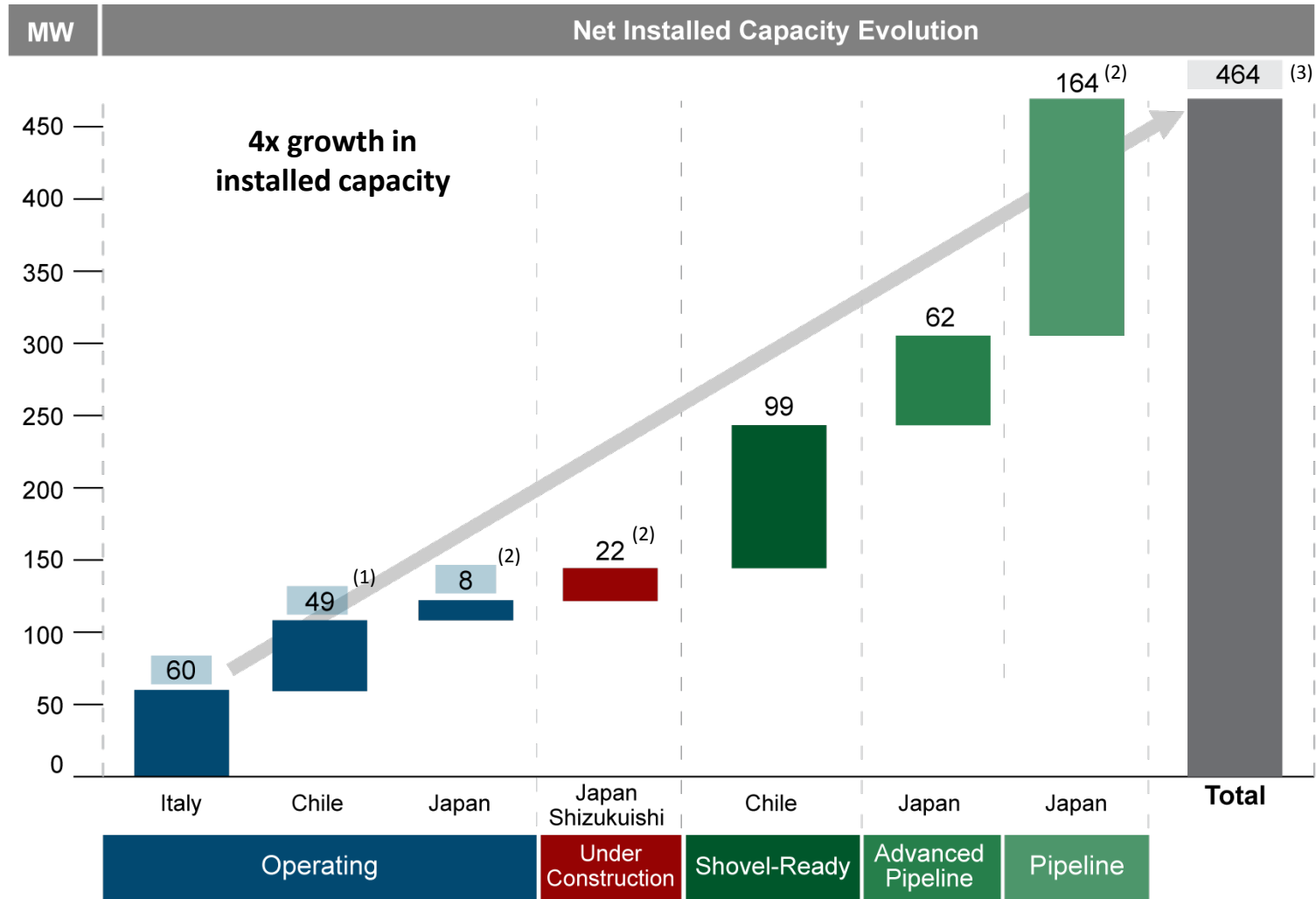
Restricted cash balance of operating platform, including Project Salvador, expected to be US\$20-40 million, depending on timing of cash distributions and debt service payment at project level

SUMMARY

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OVERALL PROJECT PORTFOLIO – POTENTIAL GROWTH



Notes:

(1) Etrion's initial 70% net capacity in 70 MW project.

(2) Etrion's 85-87% net capacity in Japanese projects. Etrion's target with Hitachi High-Tech is to have at least 100 MW shovel-ready or under construction in Japan by Q1-2016 and a total of 300 MW by the end of 2017.

(3) These projects represent Etrion's potential organic growth plan; pipeline shown here may be replaced by other projects within the next 12 months.

CONCLUSION

Attractive returns in downstream solar power generation sector

➤ Global Platform

- Well positioned to expand within Europe, Asia and the Americas
- Systems in place to effectively manage operations across multiple jurisdictions
- Proven ability to secure high-return projects and attract strong partners (Total, Hitachi High-Tech)

➤ Solid Capital Structure

- Non-recourse project finance from banks with 70-85% leverage
- Corporate bonds (e.g., recent EUR 80 million senior secured bond listed in Oslo with April 2019 maturity)
- Lundin family financial support (e.g., US\$42 million unsecured bridge facility repaid January 2014)
- Canadian and Swedish stock exchange listings (e.g., recent US\$80 million private placement)

➤ Strong Management

- Operational know-how with over 300 MW of solar parks built in major EU markets and in Chile
- Track record in corporate/project finance, as well as mergers and acquisitions
- Extensive experience building successful international businesses
- Multicultural, multilingual team of 35 employees

➤ Yield Plus Growth Plan

- Yield – clear path to declare dividends with stable revenue and EBITDA
- Diversity – in terms of geography (Italy/Chile/Japan) and contract regime (FiT/PPA/merchant)
- Critical mass – gaining scale in terms of MW, EBITDA, market cap and trading volume
- Growth – almost doubled installed capacity in 2014 with large pipeline for future growth

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