

PRESS RELEASE

## **Etrion Provides Update on Italian Operations and Schedules Investor Conference Call**

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June 25, 2014, Geneva, Switzerland – Etrion Corporation (Etrion or the Company) (TSX: ETX / OMX: ETX), a solar independent power producer, provides an update on the Company's Italian operations and schedules an investor conference call at 10:00 Eastern Daylight Time (EDT) / 16:00 Central European Time (CET) on Thursday, June 26, 2014.

### **Italian Government Proposal**

On June 24, 2014, the Italian government published a new decree outlining, among other things, certain proposed changes to the current Italian Feed-in-Tariff (FiT) regime. This decree, effective June 25, 2014, is subject to Parliamentary approval, which is expected to take place within 60 days of the decree's publication, during which time, the new decree may be amended or fully rejected.

The Italian FiT currently entails a 20-year commitment from the Italian state-owned company, Gestore Servizi Energetici (GSE), to pay a constant premium rate for all solar electricity produced at a fixed rate defined on the basis of the connection date. Etrion's Italian solar parks have an average residual incentive period of 16 years. In addition to the FiT, solar power generators in Italy receive the spot market rate for all solar electricity produced. In 2013, the spot market accounted for approximately 15% of Etrion's Italian revenues.

The proposed changes would impact the revenues received by solar power producers by reducing the annual FiT incentive to be paid by the GSE. Specifically, the proposal outlines a reduction of the original FiT, effective January 2015, between 17% and 25%, depending on the remaining incentive period, offset by an extension of the incentive period from 20 to 24 years. Alternatively, solar power producers can voluntarily elect a flat 8% reduction of the FiT for the remaining incentive period without an extension. In addition, the new decree introduces certain changes to the payment of the FiT, starting July 2014, whereby approximately 10% is delayed until June of the following year.

The final implementation of the law is uncertain, and it is possible that changes to the new decree may be introduced by Parliament. Etrion is working closely with legal advisors and project lenders to assess the implications of the proposed decree.

### **Management Comments**

Marco A. Northland, the Company's Chief Executive Officer, commented, "I am very disappointed with the measures proposed by the Italian government and the impact this could have on the solar market and foreign direct investment in Italy. Although this proposed decree is not yet final, we have started to analyse the potential impact such decree may have on our Italian portfolio and are exploring options to best optimize the economics given Etrion's strong track record in Italy and above expectation performance. The proposed changes highlight the importance of our strategy shift two years ago to diversify into new markets with different contract regimes."

Mr. Northland continued, "All of our growth plans today are focused on countries outside of Europe, and Italy represents less than 50% of our expected installed capacity in 2015. In Chile, construction of the 70 MW Project Salvador is ahead of schedule, and we expect to begin generating electricity by the end of Q4-2014. In Japan, we expect to reach financial close on our first two projects with a combined capacity of 34 MW by the end of Q3-2014 and begin construction by the end of the year."

## Investor Conference Call

A conference call/webcast to discuss the proposed changes will be held on Thursday, June 26, 2014, at 10:00 Eastern Daylight Time (EDT) / 16:00 Central European Time (CET).

### Dial-in details:

North America and International: +1-647-788-4922 / Toll Free: +1-877-223-4471 / Sweden Toll Free: 02-079-4343

A replay of the telephone conference will be available until July 3, 2014.

### Replay dial-in details:

North America and International: +1-416-621-4642 / Toll Free: +1-800-585-8367  
Pass code for replay: 64704761

## About Etrion

Etrion Corporation is an independent power producer 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. Etrion is also 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](http://www.etrion.com) or contact:

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*Etrion discloses the information provided herein pursuant to the Swedish Securities Market Act. The information was submitted for publication at 23:05 CET on June 25, 2014.*

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