

## Etrion Announces Completion of Italian Portfolio Refinancing

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December 2, 2015, Geneva, Switzerland – Etrion Corporation (“Etrion” or the “Company”) (TSX: ETX) (OMX: ETX), a solar independent power producer, today announced completing the refinancing of a majority of the Company’s Italian solar parks with a Euro 222 million portfolio financing including long-term, non-recourse bank debt and project bonds.

Marco A. Northland, the Company’s Chief Executive Officer, commented, “We are very pleased to close the Italian refinancing, which will result in a significant increase in annual cash distributions from our Italian projects. I congratulate Natixis, our arranger and bookrunner, and the Etrion finance team for completing this innovative solution to free-up cash and create real shareholder value. I am also very grateful to our advisors who worked around the clock with the lenders to close this transaction before year-end.”

### Italian Refinancing

The Italian refinancing includes six out of seven of Etrion’s Italian solar projects (10 out of 17 solar plants) for a total of 53.6 megawatts (“MW”) out of 60 MW of installed capacity.

The Italian refinancing includes the following steps:

1. Creation of an Italian holding company, which will result in tax, accounting and reporting consolidation from 2016, allowing for considerable tax savings across the portfolio
2. Procurement of new senior financing, which is a combination of:
  - a. Floating project finance bonds (Euro 35 million), listed on ExtraMOTPro managed by Borsa Italiana and purchased by the fund “SCOR Infrastructure Loans II”,
  - b. Floating project finance loan (Euro 177 million) provided by three Mandated Lead Arrangers, Natixis, BNP Paribas CIB and Creval,
  - c. Debt service reserve facility (Euro 10 million) provided by three Mandated Lead Arrangers above;
3. Cancellation of the previous outstanding project debt, including repayment of outstanding loans, breaking of the related interest rate hedges and release of restricted cash in the debt service reserve accounts
4. Entry into new contracts to hedge interest payments at current rates, lower than original hedges; new interest rate hedges have been entered into with Natixis and BNP Paribas CIB, who acted as Hedge Counterparties.

### Italian Solar Portfolio Optimization

The closing of the Italian refinancing largely completes the optimization of Etrion’s 60 MW Italian solar portfolio. This initiative will result in a 76% increase to the Company’s expected annual Italian cash distributions, from the 2014 run rate of approximately Euro 4.5 million per year to an average annual distribution of approximately Euro 7.9 million per year.

The Italian refinancing will contribute approximately Euro 3.1 million per year of this total as a result of a number of improved financing terms and conditions, including:

- reduction of the all-in interest rate paid under the old project finance terms from approximately 7.0% to about half under the new financing
- elimination of the previous cash sweep provisions
- extension of the final maturity
- simplification of the loan administration by consolidating four previous project finance loans into one portfolio financing

The balance of the improvement to the expected annual Italian cash distributions results from several factors previously announced, including:

- the renegotiation of the operations and maintenance (“O&M”) contracts to reduce cost by up to 40% and increase the level of service
- the reversal of the “Robin Hood” tax, which reduced the corporate income tax rate applicable to most energy companies in Italy from 34% to 27.5%

The Company’s remaining solar project in Italy, Helios ITA (6.4 MW), was not included in the Italian refinancing which still has potential for further optimization.

## **About Etrion**

Etrion Corporation is an independent power producer that develops, builds, owns and operates utility-scale solar power generation plants. The Company owns 139 MW of installed solar capacity in Italy, Chile and Japan. Etrion has a 25 MW solar project under construction in Japan and is also actively developing solar power projects in Japan and Chile. 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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*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 08:05 Central European Time on December 2, 2015.*

### *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 with respect to the Company’s Italian projects 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, the anticipated benefits of the Italian refinancing, the consolidation of tax, accounting and reporting and the timing thereof, the anticipated benefits of the Italian solar portfolio optimization and the required steps and timing thereof, and the percentage increase in expected annual Italian cash 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 in Italy, and the effect of each of the factors listed in this press release on the increase in annual Italian cash distributions. 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 Italian entities, the risk of unforeseen delays in the implementation of the steps in the Italian solar portfolio optimization.*

*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.*