

Etrion Releases Third Quarter 2015 Results and Provides Corporate Update

November 12, 2015, Geneva, Switzerland – Etrion Corporation (“Etrion” or the “Company”) (TSX: ETX) (OMX: ETX), a solar independent power producer, today released its condensed consolidated interim financial statements and related management’s discussion and analysis (“MD&A”) for the three and nine months ended September 30, 2015.

Operational Highlights

- Production Italy: Produced 34.6 million (2014: 34.6 million) and 88.4 million (2014: 86.5 million) kilowatt-hours (“kWh”) of solar electricity during the three and nine months ended September 30, 2015, respectively, from the Company’s 100%-owned 60 megawatt (“MW”) portfolio comprising 17 solar power plants in Italy.
- Production Chile: Produced 36.5 million (2014: nil) and 113.2 million (2014: nil) kWh of solar electricity during the three and nine months ended September 30, 2015, respectively, from the Company’s 70%-owned 70 MW Salvador solar power plant in Chile.
- Production Japan: Produced 2.6 million (2014: nil) and 3.2 million (2014: nil) kWh of solar electricity during the three and nine months ended September 30, 2015, respectively, from the Company’s 87%-owned 9.3 MW Mito solar power project, comprising five solar power plants in Japan.
- Operations and Maintenance (“O&M”): Renegotiated the various O&M agreements with ABB, SMA and SunPower for the Company’s 60 MW portfolio in Italy to reduce expected costs by approximately US\$1.6 million per year while increasing the level of service.

Financial Highlights

- Revenue: Generated revenues of US\$15.9 million (2014: US\$17.1 million) and US\$43.4 million (2014: US\$43.3 million) during the three and nine months ended September 30, 2015, respectively.
- EBITDA: Recognized earnings before interest, taxes, depreciation and amortization (“EBITDA”) of US\$10.0 million (2014: US\$13.2 million) and US\$24.8 million (2014: US\$31.2 million) during the three and nine months ended September 30, 2015, respectively.
- Cash and Working Capital: Closed the third quarter of 2015 with a cash balance of US\$73.6 million (December 2014: US\$95.3 million) and positive working capital of US\$53.1 million (December 2014: US\$36.5 million).
- VAT Reimbursement: Fully repaid Project Salvador’s total outstanding VAT credit facility of US\$24 million five months ahead of schedule following cash reimbursement from the Chilean tax authorities for VAT credits accumulated during construction.

Management Comments

Marco A. Northland, the Company’s Chief Executive Officer, commented, “We reported slightly lower revenue and EBITDA than last year due to lower prices in Italy, the lower EUR/USD exchange rate and extraordinary impairment charges, but we look forward to adding fully-funded solar projects in Japan over the next 12 months.”

Corporate Update

Effective immediately, Tom Dinwoodie has resigned from the board of directors in order to spend more time on environmental policy projects.

Etrion's Chairman, Ian Lundin, commented, "We thank Tom for his commitment to Etrion over the last few years. He brought a unique perspective to the board from his passion for sustainable energy and resource efficiency, and he will be missed."

Effective November 16, 2015, the Company has appointed Paul Rapisarda as Chief Financial Officer. Mr. Rapisarda replaces Garrett Soden who will remain on the board.

Paul Rapisarda has more than 20 years of experience in direct investing, investment banking and public company senior executive roles. He has a strong background in the energy industry, including cross-border and emerging markets experience. Mr. Rapisarda was most recently Executive Vice President – Commercial Development at Atlantic Power Corporation (NYSE: AT/TSX: ATP), a Canadian independent power producer with substantial assets in renewable technologies such as wind, hydro and biomass. Prior to that, he was a Principal at Compass Advisors LLC, a boutique M&A advisory and private equity firm. Mr. Rapisarda holds a bachelor's degree from Amherst College and an MBA from Harvard Business School.

Etrion's CEO, Marco A. Northland, commented, "I am very pleased with the appointment of Paul as Chief Financial Officer. He has extensive experience and deep relationships in the energy sector. Paul has raised debt and equity capital in both the public and private markets, and he will be a great addition to the team as we look to grow the Company long-term in the most efficient way possible."

Results

During the three months ended September 30, 2015, Etrion reported a net loss of US\$4.4 million (loss per share of US\$0.009) compared to a net income of US\$1.2 million (earning per share of US\$0.004) for the comparable period in 2014. Despite negative consolidated net results, primarily attributable to lower electricity prices, exchange rates and the impairment of US\$0.4 million in capitalized development costs, the Company reported a gross profit of US\$7.2 million (2014: US\$10.0 million) and generated adjusted operating cash flow of US\$10.5 million (2014: US\$17.8 million).

During the nine months ended September 30, 2015, Etrion reported a net loss of US\$16.9 million (loss per share of US\$0.042) compared to a net loss of US\$8.4 million (loss per share of US\$0.026) for the comparable period in 2014. The net results during this period were adversely impacted by lower electricity prices, exchange rates and the impairment of capitalized development costs.

Earnings Call

A conference call webcast to present the Company's third quarter results will be held on Thursday, November 12, 2015, at 10:00 a.m. Eastern Standard Time (EST) / 4:00 p.m. Central European Time (CET).

Dial-in details:

North America: +1-647-788-4919 / Toll Free: +1-877-291-4570 / Sweden Toll Free: 02-079-4343

Webcast:

A webcast will be available at <http://www.investorcalendar.com/IC/CEPage.asp?ID=173523>

The earnings call presentation and the Company's condensed consolidated interim financial statements for the three and nine months ended September 30, 2015, as well as the related documents, will be available on the Company's website (www.etrion.com).

A replay of the telephone conference will be available until December 12, 2015.

Replay dial-in details:

North America: +1-416-621-4642 / Toll Free: +1-800-585-8367

Pass code for replay: 61915139

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 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 November 12, 2015.

Non-IFRS Measures:

This press release includes non-IFRS measures not defined under IFRS, specifically EBITDA and adjusted operating cash flow. Non-IFRS measures have no standardized meaning prescribed under IFRS and therefore such measures may not be comparable with those used by other companies.

EBITDA is a useful metric 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. In addition, adjusted operating cash flow is used by investors to compare cash flows from operating activities without the effects of certain volatile items that can positively or negatively affect changes in working capital such as value added taxes paid during construction of the Company's solar power plants as they are viewed as not directly related to a company's operating performance. Refer to Etrion's MD&A for the three and six months period ended June 30, 2015, for a reconciliation of EBITDA and adjusted operating cash flow reported during the period.

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, expected reductions in O&M expenses in Italy and the Company's development pipeline in Japan and Chile) 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, expected reductions in O&M expenses in Italy and the ability of the Company to execute on its development pipeline in Japan and Chile on economic terms and in a timely manner. 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 that the Company may not realize reductions in O&M expenses in the amount anticipated, the risk that the Company may not be able to obtain all applicable permits for the development of projects in Japan and Chile and the associated project financing on economic terms for the development of such projects and the risk of unforeseen delays in the development and construction of such projects.

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.