

PRESS RELEASE

Etrion Releases Second Quarter 2015 Results

August 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 six months ended June 30, 2015.

Operational Highlights

- Production Italy: Produced 36.7 million (2014: 35.4 million) and 53.7 million (2014: 51.9 million) kilowatt-hours (“kWh”) of solar electricity during the three and six months ended June 30, 2015, respectively, from the Company’s 100%-owned 60 megawatt (“MW”) portfolio comprising 17 solar power plants in Italy.
- Production Chile: Produced 35.1 million (2014: nil) and 76.7 million (2014: nil) kWh of solar electricity during the three and six months ended June 30, 2015, respectively, from the Company’s 70%-owned 70 MW Salvador solar power plant in Chile.
- Production Japan: Produced 0.6 million (2014: nil) and 0.6 million (2014: nil) kWh of solar electricity during the three and six months ended June 30, 2015, respectively, from the Company’s 87%-owned 9.3 MW Mito solar power project in Japan. The first three sites of the Mito solar project were completed in the second quarter of 2015. The last two sites were completed in July and August 2015.

Financial Highlights

- Revenue: Generated revenues of US\$17.1 million (2014: US\$17.8 million) and US\$27.4 million (2014: US\$26.1 million) during the three and six months ended June 30, 2015, respectively.
- EBITDA: Recognized earnings before interest, taxes, depreciation and amortization (“EBITDA”) of US\$9.2 million (2014: US\$14.2 million) and US\$14.7 million (US\$18.0 million) during the three and six months ended June 30, 2015, respectively.
- Cash and Working Capital: Closed the second quarter of 2015 with a cash balance of US\$69.1 million (December 2014: US\$95.5 million) and positive working capital of US\$59.7 million (December 2014: US\$36.5 million).

Management Comments

Marco A. Northland, the Company’s Chief Executive Officer, commented, “We are pleased to recognize our first electricity sales from Japan in the second quarter of 2015. 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 in Chile, but we look forward to adding more installed capacity in Japan over the next 12 months.”

Results

During the three months ended June 30, 2015, Etrion reported a net loss of US\$10.1 million (loss per share of US\$0.028) compared to a net loss of US\$1.4 million (loss per share of US\$0.005) for the comparable period in 2014. Despite negative consolidated net results, primarily attributable to lower electricity prices, exchange rates and the impairment of US\$2.5 million in capitalized development costs in Chile, the Company reported a gross profit of US\$8.5 million (2014: US\$10.6 million) and generated adjusted operating cash flow of US\$11.8 million (2014: US\$13.8 million).

During the six months ended June 30, 2015, Etrion reported a net loss of US\$12.5 million (loss per share of US\$0.032) compared to a net loss of US\$9.6 million (loss per share of US\$0.031) for the comparable period in 2014. The net results in the second half of 2015 were adversely impacted by lower electricity prices, exchange rates and the impairment of capitalized development costs in Chile.

Earnings Call

A conference call/webcast to present the Company's second quarter 2015 results will be held on Wednesday, August 12, 2015, at 10:00 a.m. Eastern Daylight Time (EDT) / 4:00 p.m. Central European Summer Time (CEST).

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=173522>

The earnings call presentation, along with the Company's condensed consolidated interim financial statements for the three and six months ended June 30, 2015, 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 September 12, 2015.

Replay dial-in details:

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

Pass code for replay: 61914412

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 25 MW of solar projects under construction in Japan and is also actively developing greenfield 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:

Pamela Chouamier – Investor Relations

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 08:05 Central European Time on August 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 and the Company's anticipated 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, 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 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.