

PRESS RELEASE

Etrion Releases Third Quarter 2012 Results

Third quarter 2012 Revenue of US\$18.3 million, EBITDA of US\$14.4 million

Net income of US\$0.4 million for the quarter compared to a net loss of US\$2.8 million in the same period of the prior year

Adjusted net income of US\$5.6 million for the quarter compared to an adjusted net income of US\$1.2 million in the same period of the prior year

Positive cash flow of US\$5.1 million for the quarter compared to a negative cash flow of US\$6.1 million in the same period of the prior year

November 7, 2012, Geneva, Switzerland – Etrion Corporation (“Etrion” or the “Company”) (TSX: ETX) (OMX: ETX), an independent solar 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, 2012.

Third Quarter 2012 Highlights

Production: Produced 35.6 million (2011: 30.9 million) and 93.1 million (2011: 72.4 million) kilowatt-hours of solar electricity for the three and nine months ended September 30, 2012, respectively, from seven solar power projects, comprising seventeen solar power plants.

Revenue: Generated solar electricity revenues of US\$18.3 million (2011: US\$18.2 million) and US\$48.3 million (2011: US\$43.3 million) for the three and nine months ended September 30, 2012, respectively.

EBITDA: Recognized earnings before interest, tax, depreciation and amortization (“EBITDA”) of US\$14.4 million (2011: US\$14.9 million) and US\$39.6 million (2011: US\$32.8 million) for the three and nine months ended September 30, 2012, respectively.

Cash flow: Recognized positive cash flow of US\$5.1 million during the third quarter of 2012 (2011: negative cash flow of US\$6.1 million).

Working Capital: Closed the third quarter of 2012 with a cash balance of US\$36.3 million and positive working capital of US\$23.8 million.

Management Comments

Marco A. Northland, the Company’s Chief Executive Officer, commented: “Etrion has a strong operating platform in Italy, which provides stable revenues and cash flows and continues to perform above plan.”

Mr. Northland continued: “2012 continues to be an exciting year as we execute on our plans to diversify into new markets, evolving beyond the need for government incentives. Operating without government subsidies is a turning point for our Company, leading our industry in competing with traditional sources of energy on an equal footing. We are making excellent progress on our development pipeline in Chile where we will enter into competitive power purchase agreements directly with industrial users.”

Results

During the three and nine months ended September 30, 2012, the Company reported a net income of US\$0.4 million (earnings per share of US\$0.002) and a net loss of US\$1.2 million (loss per share of US\$0.006), respectively, compared to a net loss of US\$2.8 million (loss per share of US\$0.015) and US\$6.5 million (loss per share of US\$0.035), respectively, for the comparable periods in 2011.

The net results for the three months ended September 30, 2012, were adversely affected by non-cash items of US\$5.2 million, including depreciation and amortization of US\$4.9 million, unrealized fair value losses associated with derivative financial instruments of US\$0.2 million and stock-based compensation of US\$0.1 million. Excluding these non-cash items, the Company's net income for the three months ended September 30, 2012, would have been US\$5.6 million.

Despite a weakening of the Euro against the US dollar by 9% during the quarter compared to the same quarter of the prior year, Etrion generated significant revenues from operations and performed above plan.

Earnings Call

A conference call/webcast to present the Company's third quarter results will be held on Thursday, November 8, 2012 at 9:00 a.m. Eastern Standard Time (EST) / 3:00 p.m. Central European Time (CET).

Dial-in details:

North America: +1-416-340-8061

North America Toll Free: +1-866-225-2055

Europe Toll Free: 00-800-6578-9898

Webcast:

A webcast will be available at <http://www.investorcalendar.com/IC/CEPage.asp?ID=170081>

In addition, the presentation, along with the Company's condensed consolidated interim financial statements and related management's discussion and analysis for the three and nine months ended September 30, 2012, will be available on the Company's website (www.etrion.com).

A replay of the telephone conference will be available until December 9, 2012.

Dial-in details:

North America: +1-905-694-9451

North America Toll Free: +1-800-408-3053

Europe Toll Free: 00-800-3366-3052

Pass code for replay: 6439478

About Etrion

Etrion Corporation is an independent power producer that owns and operates renewable assets. Etrion currently owns approximately 60 megawatts (“MW”) of operational, ground-based solar photovoltaic power plants in Italy. The Company is listed on the Toronto Stock Exchange in Canada and the NASDAQ OMX Stockholm exchange in Sweden (ticker symbol “ETX”). Etrion’s largest shareholder is the Lundin family, which owns approximately 22% of the Company’s shares through various trusts.

For additional information, please visit the Company’s website at www.etrion.com or contact:

Cheryl Eversden – Chief Financial Officer
Telephone: +41 (22) 715 20 90

Note: The capacity of power plants in this release is described in approximate MW on a direct current (“DC”) basis, also referred to as megawatt-peak (“MWp”).

Non-IFRS Measures:

This news release includes non-IFRS measures not defined under IFRS, specifically adjusted net income/loss. Non-IFRS measures have no standardized meaning prescribed under IFRS and therefore such measures may not be comparable with those used by other companies. Adjusted net income/loss represents the Company’s performance during the period on a cash-flow basis, excluding non-cash items, such as depreciation, share-based compensation, non-recurring other income/expenses and fair value movements associated with derivative financial instruments. Refer to Etrion’s MD&A for the three months ended September 30, 2012, for a reconciliation of the adjusted net income 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 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 statements relating to the Company’s growth plans) 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. 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 entities, the risk that the Company may not be able to identify and/or acquire additional renewable energy projects on economic terms and uncertainties with respect to the Company’s ability to negotiate PPAs with industrial energy users.

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.