



News for Immediate Release

ELECTROVAYA ANNOUNCES THIRD QUARTER FISCAL YEAR 2011 FINANCIAL RESULTS

***Revenue for the Quarter and the 9 month period ending June 30, 2011 more than doubles to \$2.7 million and \$7.7 million, respectively
Fourth Consecutive Quarter of Profit from Operations (Non-GAAP)***

Toronto, Ontario – August 15, 2011 – Electrovaya Inc. (TSX: EFL) today announced financial results for the third quarter of fiscal year 2011 ended June 30, 2011. All figures are in US dollars.

Financial Highlights for the Third Quarter of Fiscal Year 2011

- Total revenue of \$2.7 million increased 109% year over year
- Non-GAAP income from operations equalled \$103,000 and marked the fourth consecutive quarter of profitability
- Cash and cash equivalents totaled \$4.5 million as of June 30, 2011 and receivables increased by \$1.8 million to \$4.7 million.
- Cash and cash equivalents as at August 12, 2011 were \$5.7 million.

Results for the three months ended June 30, 2011

Total revenue rose to \$2.7 million in the third quarter of fiscal 2011, an increase of 109% compared to \$1.3 million in the third quarter of fiscal 2010.

Net loss for the third quarter of fiscal 2011 was \$423,000 compared to \$363,000 in the same quarter the prior year, or \$(0.01) per basic and diluted common share, unchanged from the third quarter of fiscal 2010.

On a non-GAAP basis, net income in the third quarter of fiscal 2011 was \$103,000, compared to a non-GAAP net loss of \$(341,000) in the third quarter of fiscal 2010. Non-GAAP net income (loss) from operations for these periods excludes the impact of non-cash stock-based compensation expense, non-cash financing costs and interest expense incurred on long-term debt.

Current assets, primarily accounts receivable increased by approximately \$1.8 million to \$4.7 million and cash and cash equivalents totaled \$4.5 million

Results for the nine months ended June 30, 2011

Total revenue of \$7.7 million for the first nine months of fiscal 2011, an increase of 133% compared to \$3.3 million for the first nine months of fiscal 2010. Net loss for the first nine months of fiscal 2011

totaled \$2.0 million, or \$0.03 per basic and diluted common share compared to a loss of \$1.9 million for the first nine months of fiscal 2010, or \$0.03 per basic and diluted common share.

On a non-GAAP basis, net income in the first nine months of fiscal 2011 was \$195,000 compared to a non-GAAP net loss of \$(939,000) in the first nine months of fiscal 2010. Non-GAAP net income from operations for these periods excluded the impact of non-cash stock-based compensation expense, non-cash financing costs and interest expense incurred on long-term debt.

Management Commentary

“During the quarter, we announced the program to develop a complete battery pack, including cells, mechanical, thermal and electrical subsystems and the battery management system for the Town & Country Minivan PHEV program,” commented Dr. Sankar Das Gupta, Chief Executive Officer of Electrovaya. “Moreover, we continued to deliver complete battery packs for the RAM and make progress on the design and build of a 1.5MWh scale energy storage program for a large US utility and are building a good pipeline of similar Energy Storage projects. We believe that our 1.5MWh unit will be the world’s largest Lithium Ion battery pack in a single container and demonstrates Electrovaya’s excellent volumetric energy density,” said Das Gupta.

"We are making good progress on our development and delivery of the two important automotive platforms as well as on the Utility size Energy storage system, while increasing production capacity, without substantial reduction of our financial strength," says Paul Hart, Chief Financial Officer of Electrovaya.

The Company’s complete Fiscal 2011 Third Quarter Financial Statements and Management Discussion and Analysis are available at www.sedar.com or on the Company’s website at www.electrovaya.com.

Conference Call

A conference call to discuss the results will be held at 8:00 a.m. Eastern Time today to discuss the Company’s financial results and provide a business update. Conference call details are as follows:

Canada and U.S. toll-free:	(877) 407-8291
International:	+1 (201) 689-8345
Conference ID:	376953#

For those unable to participate in the conference call, a replay will be available for two weeks beginning at 11 a.m. (ET) on August 15, 2011 through 11:59 p.m. (ET) on August 30, 2011.

Replay

Canada and U.S. toll-free:	(877) 660-6853
International:	+1 (201) 612-7415
Account:	393#
Conference ID:	376953#

About Electrovaya Inc.

Electrovaya Inc. (TSX:EFL) designs, develops and manufactures proprietary Lithium Ion SuperPolymer® batteries, battery systems, and battery-related products for the clean electric transportation, Utility Scale Energy Storage and smart grid power, consumer and healthcare markets. The Company's mission is to

accelerate clean transportation as a commercial reality with its advanced power system for all classes of zero-emission electric vehicles and plug-in hybrid electric vehicles. The Company's other mission is to deliver Utility Scale Energy Storage Systems for the highest efficiency in electricity storage, whether the electricity is generated from intermittent wind and solar power or from other sources. Founded in 1996 and headquartered in Ontario, Canada, Electroveya has production facilities in Canada as well as in the US, and customers around the globe.

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Forward-Looking Statements

This press release contains forward-looking statements that involve a number of risks and uncertainties, including statements that relate to, among other things, the Company's objectives, goals, strategies, intentions, plans, beliefs, expectations and estimates, and can generally be identified by the use of words such as "may", "will", "could", "should", "would", "likely", "expect", "intend", "estimate", "anticipate", "believe", "plan", "objective" and "continue" (or the negative thereof) and words and expressions of similar import. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on such statements. Certain material factors or assumptions are applied in making forward-looking statements, and actual results may differ materially from those expressed or implied in such statements. Important factors that could cause actual results to differ materially from expectations include but are not limited to: general business and economic conditions (including but not limited to currency rates and creditworthiness of customers); Company liquidity and capital resources, including the availability of additional capital resources to fund its activities; level of competition; changes in laws and regulations; legal and regulatory proceedings; the ability to adapt products and services to the changing market; the ability to attract and retain key executives; and the ability to execute strategic plans. Additional information about material factors that could cause actual results to differ materially from expectations and about material factors or assumptions applied in making forward-looking statements may be found in the Company's most recent annual and interim Management's Discussion and Analysis under "Risk and Uncertainties", as well as in other public disclosure documents filed with Canadian securities regulatory authorities. The Company does not undertake any obligation to update publicly or to revise any of the forward-looking statements contained in this document, whether as a result of new information, future events or otherwise, except as required by law.