



*News for Immediate Release*

**ELECTROVAYA ANNOUNCES FOURTH QUARTER AND FISCAL 2008 FINANCIAL RESULTS**

**Toronto, Ontario – December 24, 2008** – Electrovaya Inc. (TSX: EFL) today announced financial results for the fourth quarter of fiscal 2008. All figures are in US dollars.

**Highlights**

- Following an investment by Tata Motors Ltd. in September, 2008 to achieve a controlling interest in Miljobil, Electrovaya and Miljobil entered into a new licensing agreement for Nordic countries, providing a mix of license fee, equity and royalties to Electrovaya. Additional revenues may be available to Electrovaya for supply of cells, equipment and engineering services. A partial payment was received during the quarter.
- In November, 2008, Electrovaya entered into an MOU with Chana International Corp. for zero-emission electric vehicles.
- Electrovaya delivered cells and battery systems to OEMs for electric and plug-in-electric cars and buses.

**Financial Highlights**

For the quarter ending September 30, 2008:

- Total revenue increased by 16.8% to \$0.65 million from \$0.56 million for the quarter ended September 30, 2007.
- \$1.4 million of revenue was deferred to future periods, related to a partial payment for a technology license with Miljobil/Tata and others.
- Research and development expenses, net of investment tax credits (ITC), increased by \$335,000 or 36.1% to \$1,264,000 for the quarter ended September 30, 2008 from \$929,000 for the same three month period in 2007.
- Loss from operations, before interest, taxes, foreign exchange, amortization, capital assets write-down and the gain on sale of investments increased by \$339,000 or 42.9% to \$1,129,000 compared to \$790,000 in the same quarter of the prior year.

The Company had \$4.9 million in cash and cash equivalents as at 30<sup>th</sup> September 2008, a decrease of \$149,000 compared to \$5.1 million as at June 30, 2008, a cash burn of \$228,000 during the quarter ending June 30, 2008 and a cash burn of \$2,313,000 for the fiscal year 2008 compared to \$2,903,000 in 2007.

For the year ending September 30, 2008:

- Revenue was \$2,541,000 and \$2,344,000 for the year ending September 30, 2007, respectively.
- Research and development expenses increased by \$1,845,000 or 89.5% from \$2,061,000 to \$3,906,000 during the twelve month period ending September 30, 2008.
- Loss from operations, before interest, taxes, foreign exchange, amortization, capital assets write-down and the gain on sale of investments increased by \$362,000 or 10.1% to \$3.9 million compared to \$3.6 million in the prior year

### Summary of Financial Results

In thousands of US\$ except per share amounts	3 months ended Sept 30		12 months ended Sept 30	
	2008	2007	2008	2007
Revenue	\$ 654	\$ 560	\$ 2,541	\$ 2,344
Loss from operations before interest, taxes, foreign exchange and amortization, capital assets write-down and gain on sale of investments	\$ (1,129)	\$ (790)	\$ (3,935)	\$ (3,573)
Loss for the period	(\$899)	\$ (1,236)	\$ (4,055)	\$ (4,641)
Loss per share	\$(0.01)	\$ (0.02)	\$ (0.06)	\$ (0.07)
Cash & investments	\$ 4,934	\$ 7,247	\$ 4,934	\$ 7,247

The Company's complete Fiscal 2008 Fourth Quarter and Annual Financial Statements and Management Discussion and Analysis are available at [www.sedar.com](http://www.sedar.com) or on the Company's website at [www.electrovaya.com](http://www.electrovaya.com).

### About Electrovaya Inc.

Electrovaya (TSX: EFL) is a developer and manufacturer of portable power solutions with its proprietary Lithium Ion SuperPolymer® battery technology. Its goal is to become the preferred provider of portable power for aerospace, defence and wireless sectors, and the developer of alternative energy applications including UPS, stand-by power, plug-in hybrids and Zero-Emission Vehicle. The Company's shares trade on the Toronto Stock Exchange under the symbol EFL.

*For more information about the Company and its products, please visit our website at [www.electrovaya.com](http://www.electrovaya.com).*

For more information, please contact:

P. Hart, Chief Financial Officer  
Electrovaya Inc.  
tel: 905-855-4636  
Email: [plhart@electrovaya.com](mailto:plhart@electrovaya.com)

### *Forward-Looking Statements*

*This news release may contain forward-looking statements that involve a number of risks and uncertainties, including statements regarding the outlook for the Company's business and results of operations. Risks are outlined in the Company's MD&A for the period ending September 30, 2008 and are set forth in public disclosure documents filed with Canadian regulatory authorities. By nature, these risks and uncertainties could cause actual results to differ materially from those indicated. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.*