



News for Immediate Release

ELECTROVAYA REPORTS FY2014 RESULTS

***Fiscal Year revenue Increases By 161% Compared to Prior Year
Energy Storage emerging as the growth engine***

Toronto, Ontario – December 29, 2014 – Electrovaya Inc. (TSX: EFL) today reported its FY 2014 results with revenues growing to \$7.4 million a growth of 161% over FY 2013 revenue. All amounts are in US dollars unless otherwise stated.

Financial Highlights:

- Revenue for the year ending September 30, 2014 increased to \$7.4 million, a 161% increase compared to the prior year ending September 30, 2013
- Gross margin was 38%
- Cash and Cash Equivalents of \$1 M as of September 30th, 2014

Business Highlights:

Company is experiencing increased demand from many sectors such as utilities, industrials, distributed power and automotive.

- Electrovaya is planning for an acquisition in Europe. This is the largest European producer of lithium ion battery electrodes and separators, with capacity of about 500 Mega Watt hours.
- 500 Mega watt hour capacity if converted into battery systems for industrial, utility and other applications can generate revenues in the \$250-\$400 million region
- Progress is being made on deliveries to different industrial sectors including Utilities, Distributed Power and Mining

The Company's complete Fiscal 2014 Fourth Quarter and Annual Financial Statements and Management Discussion and Analysis are available at www.sedar.com or on the Company's website at www.electrovaya.com.

About ElectroVaya Inc.

Electrovaya Inc. (TSX:EFL) designs, develops and manufactures proprietary Lithium Ion Super Polymer® batteries, battery systems, and battery-related products for energy storage, clean electric transportation, Utility Scale Energy Storage and smart grid power, consumer and healthcare markets. The Company's mission is to mitigate Climate Change by having the highest efficient energy storage systems, accelerate clean transportation with its advanced power system for all classes of zero-emission electric vehicles and plug-in hybrid electric vehicle, deliver Utility Scale Energy Storage Systems, whether the electricity is generated from intermittent wind and solar power or from other sources. Headquartered in Ontario, Canada, ElectroVaya has production facilities in Canada and customers around the globe. To learn more about how ElectroVaya is powering mobility, please explore www.electrovaya.com

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Forward-Looking Statements

This press release contains forward-looking statements, including statements that relate to, among other things, revenue forecasts, technology development progress, plans for shipment using the Company's next generation 2.0 technology, production plans, the Company's markets, objectives, goals, strategies, intentions, 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", including in particular from pages 40 to 41 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.