



News for Immediate Release

Electrovaya Reports Profitable Q4 along with FY 2015 Results

First full quarter results after transformational acquisition; Q4 revenues of \$9.8m (Cdn\$13.1) increase by 495% over Q4, 2014 and Q4 EBITDA profits increase to \$1.7m (Cdn \$2.3 m)

Toronto, Ontario – December 1, 2015 – Electrovaya (TSX:EFL) today reports its financial results for the quarter and year ending September 30, 2015. Q4, 2015 was the first full quarter results after the transformational acquisition of Litarion GmbH, Europe’s largest Lithium Ion plant. The FY 2015 numbers include five months of operation after the acquisition. All numbers are in US dollars.

Financial Highlights:

- **Revenues Surge:** Q4 \$9.8 million (Cdn \$13.1m), a growth of 495% over Q4 2014 and a growth of 64% over preceding Q3, 2015; FY 2015 revenue \$16.6 million (Cdn\$ 22.2m) a growth of 124% from \$ 7.4 million (Cdn \$ 9.9m)
- **Gross Margin Improves:** Q4, 2015 of \$3.5 million (Cdn \$4.7 m), a growth of 440% over Q4, 2014; gross margin of 36% achieved in Q4 FY 2015 gross margin 30%
- **Adjusted EBITDA Positive:** Q4 \$1.7 million (Cdn\$ 2.3m) a positive swing of \$2.5 million from loss of \$0.76 million in Q4, 2014.
- **Net Profit Increases** in Q4 \$1.3 million (Cdn\$ 1.8m)
- **Cash Balance Jumps:** September 30, 2015 cash balance \$6.3 million (Cdn\$8.5 m), an increase of \$3.1 million (Cdn \$4.2m) over June 30, 2015

Business Highlights:

The acquisition of the Litarion and its 0.5 Gigawatt hour plant, completed April 29, 2015, has created a large momentum in our sales pipeline and has been the catalyst to produce a strong profitable fourth quarter. Q4 was the first full quarter after the acquisition.

The second acquisition from Evonik of all of the Global exclusive rights to Separion™, an unique flexible ceramic separator, opens up additional large revenue opportunities. This proprietary material generates highest safety and performance in Lithium ion Cells.

The combined technology from Electrovaya and Litarion generates industry leading technology in non-toxic production, safety, cycle life and costs.

Quarter highlights include:

- **Notable Contracts:**
 - the announcement of a \$ 20.6 million (€18.5 million) contract for the supply of Lithium Ion battery products;
 - the announcement of a contract to supply a portable, high capacity battery storage system to Con Edison for Clean Energy Grid Support;
- **New Products:** the announcement of the introduction of our new 40Ah Lithium Ion Cell;
- **Notable Deliveries:** Delivery of a grid connected MWh Energy Storage System to Toronto Hydro and Ryerson in downtown Toronto; delivery of many other systems and products into the automotive, mining, utility and other applications
- **Strong Revenue Pipeline:** a rapidly growing revenue pipeline, largest in the history of ElectroVaya and Litarion especially with the announcement of our new cell production.

Commenting on the results ElectroVaya Chairman and CEO, Dr. Sankar Das Gupta stated “We are very pleased with the Q4 results. Our transformative acquisition of Litarion has positioned us to capitalize on a robust sales pipeline, introduce new products and enter attractive markets. We have shown that the combined operations are not only cash positive but profitable as we grow sales”.

"Energy Storage through lithium ion batteries, is the holy grail for alternate energy and a critical technology for Climate Change Mitigation. The combined ElectroVaya Litarion positions us as the global technology leader with respect to cost, safety and cycle life", says Dr. Das Gupta.

Conference Call Details:

The Company will hold a conference call on Wednesday December 2, 2015 at 8:00 a.m. Eastern Time (ET) to discuss the Q4 and fiscal year results ended September 30, 2015 and to provide a business update.

Conference ID: 13626150

US and Canada toll free: (877) 407-8291

International: + 1(201) 612-7415

To help ensure that the conference begins in a timely manner, please dial in 10 minutes prior to the start of the call.

For those unable to participate in the conference call, a replay will be available for two weeks beginning on December 2, 2015 through December 16, 2015. To access the replay, the U.S. dial-in number is (877) 660-6853 and the non-U.S. dial-in number is +1 (201) 612-7415. The replay conference ID is 13626150.

Financial Summary:

The Company's complete Fiscal 2015 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.

FINANCIAL HIGHLIGHTS

(thousands of US dollars)

	Q4 2015	Q4 2014	% change	2015	2014	% change
Revenue	9,762	1,642	495%	16,568	7,404	124%
Direct Manufacturing Costs	6,292	1,000	529%	11,591	4,582	153%
Gross Margin	3,470	642	440%	4,977	2,822	76%
Gross Margin %	36%	39%	-	30%	38%	-
Adjusted EBITDA ⁽¹⁾	1,730	(762)	-	(1,921)	(1,723)	12%
Net Earnings (Loss) Attributable to Common Shareholders	1,338	(663)	-	(3,193)	(3,446)	(7%)
Cash and cash equivalents – September 30	6,309	969	551%	6,309	969	551%

- ^{1.} Adjusted EBITDA does not have a standardized meaning under IFRS. Therefore it is unlikely to be comparable to similar measures presented by other issuers. We define adjusted EBITDA as gain from operations less stock based compensation expense, finance cost and amortization. We believe that certain investors and analysts use adjusted EBITDA to measure the performance of the business.

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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 and other specialized applications. Electrovaya, through its fully owned subsidiary, Litarion GmbH, also produces cells, electrodes and SEPARION™ ceramic separators and has manufacturing capacity of about 500MWh/annum. Electrovaya is a technology focused company with extensive IP. Headquartered in Ontario, Canada, Electrovaya has production facilities in Canada and Germany with customers around the globe.

To learn more about how Electrovaya and Litarion is powering mobility and energy storage, please explore www.electrovaya.com, www.litarion.com and www.separion.com

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 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", "possible", "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.