

ELECTROVAYA INC.

Price (June 22, 2009)	\$0.75
52-Week High-Low	\$0.89-\$0.18
Shares O/S	69.6 million
Market Cap	\$52.2 million
50-day Average Volume	105,500
200-day Average Volume	51,500
Year-End	September 30
Symbol	TSX: EFL
Website	www.electrovaya.com

Financial Data (US\$)

Selected Income/Cash Flow	Last 12 Mos	Year End	Year End
(US\$000s)	Mar-09	Sep-08	Sep-07
Revenue	\$3,037	\$2,541	\$2,344
Operating Profit	\$1,877	\$1,160	(\$1,007)
EBITDA	(\$2,655)	(\$3,935)	(\$3,573)
Net Loss	(\$2,180)	(\$4,055)	(\$4,641)
Cash Flow (CF) From Ops	(\$97)	(\$1,708)	(\$3,741)
Selected Balance Sheet			
Cash (& Equivalents)	\$3,447	\$4,934	\$7,234
Total Debt	\$0	\$24	\$357
Shareholders' Equity	\$7,960	\$10,144	\$14,867
Total Assets	\$9,883	\$12,653	\$16,630
Enterprise Value	\$17,394	\$14,571	\$11,213
Working Capital	\$2,817	\$4,221	\$8,455
Working Capital Ratio	2.46x	2.68x	6.63x
Key Ratios			
Operating Profit Margin	61.8%	45.7%	-43.0%
R&D, net	\$3,170	\$3,070	\$887
R&D/Revenue	104.4%	120.8%	37.8%
Cash Burn (Monthly Avg)	\$500	\$423	\$233
Capex, Capital Assets	\$161	\$190	\$276
Per Share Statistics			
Revenue Per Share	\$0.04	\$0.04	\$0.03
Net Loss Per Share	(\$0.03)	(\$0.06)	(\$0.07)
Cash Flow Per Share	(\$0.00)	(\$0.02)	(\$0.05)
Shareholders' Equity P.S.	\$0.11	\$0.15	\$0.21
Cash Per Share	\$0.05	\$0.07	\$0.10
Enterprise Value Per Share	\$0.25	\$0.21	\$0.16
R&D (net) Per Share	\$0.05	\$0.04	\$0.01
Multiples			
Price/Revenue	5.73x	7.67x	7.72x
Price/Cash	3.53x	3.95x	2.50x

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Note: This report was prepared with public information only.



Source: www.bigcharts.com

THE COMPANY

Electrovaya Inc. ("Electrovaya" or the "Company") develops and manufactures high-end batteries for a variety of products ranging from laptops to automobiles. It was founded in 1996 by Dr. Sankar DasGupta (present Chairman and CEO) and Dr. James Jacob, and went public in 2000.

INVESTMENT CONSIDERATIONS

Strengths

- Possesses cutting-edge patented power technology
- Steady growth in revenue, net profit margin, and cash flow;
- High working capital ratio and little amount of debt; and
- Managed by experienced and knowledgeable professionals.

Challenges

- Implements a broad focus and strategy since the clean technology industry still contains uncertainty; and
- Negative income and cash flow.

CORPORATE STRATEGY

Key priorities for management include the following:

- Harvest rich potential in the market for plug-in hybrid electric vehicles (PHEVs) and zero-emission electric vehicles (ZEVs);
- Build partnerships and joint-ventures with businesses that share its vision and have similar goals;
- Adopt a broad focus to compete with the uncertainty of a developing clean-transportation industry.

INNOVATIVE TECHNOLOGY

Electrovaya has over 150 patents (issued and pending) to protect its proprietary nano-structured and rechargeable Lithium Ion Super-Polymer battery technology, which is characterized by its superior energy density, which allows for more energy to be stored in smaller space, thus making applications more portable and powerful. This technology is useful in a wide-range of applications, such as clean transportation, mobile computing, portable power, aerospace, etc.

PRODUCTS & SERVICES

On top of its innovative battery technology, Electrovaya also offers customized solutions to its clients as an option. The integrated intelligent Battery Management System (iBMS) optimizes battery performance, protects the system with fail-safe capabilities, and provides a communication interface. The integrated system is optimized from within the battery cell, as well as from an integrated mechanical, electrical and electronic perspective, and can be designed to handle applications, including underwater, aerospace, back-up power storage, and PHEV conversion kits.

POSITIVE OUTLOOK

Global climate change, high crude oil prices, and the weakening of the big U.S. automotive companies are all positive factors for Electrovaya's participation in the development and manufacturing of hybrid and electric vehicles.

COMPETITIVE ADVANTAGE

A key to becoming technically and commercially successful in the new clean-transportation industry involves the company's capability to improve its state-of-the-art platform technology both continuously and incrementally. Having an intelligent customizable approach to the battery management system, and a low-cost manufacturing expertise are also strengths.

FINANCIAL REVIEW

Electrovaya has been able to generate a consistent revenue stream since its 2000 IPO. The net profit margin has also improved as the Company has been able to constrain its general & administrative expenses. R&D is the Company's major capital expenditure requirement. The Company has no debt and, as of the latest reporting period, sufficient cash and working capital.

RECENT DEVELOPMENTS

- *June 15, 2009:* The CBC National TV program showcased the Company's batteries and electric cars: http://www.cbc.ca/video/popup_nlp.html?http://www.cbc.ca/mrl3/8752/news/features/sherren-auto-090612.wmv
- *May 15, 2009:* Electrovaya released its 2009 Q2 results, announcing a 42% increase in revenue and 5% decrease in R&D expenses from its prior year quarter ended in March. (See our abridged statistics and ratios on page 1.)
- *April 27, 2009:* The Company revealed that it has provided the Lithium Ion Super-Polymer Battery for the plug-in hybrid ReEV Hummer H3, which offers a relatively high fuel efficiency of about 100-mpg.
- *November 4, 2008:* Disclosure of signing three Memoranda of Understanding with companies in China, extending into the lucrative market in Asia.

MANAGEMENT

Sankar DasGupta, Co-Founder, Chairman, President, and CEO, since 2000. Dr. DasGupta has considerable experience in the technology sector, including prior senior positions with Electrofuel Manufacturing Company Ltd. and HSA Reactors Limited.

Paul Hart, CFO since 2005. Held many senior financial management positions in various organizations, including CFO of Paradata Systems Inc., Bid.Com International Inc., and ADP Canada, and Treasurer of GAN Canada.

BOARD OF DIRECTORS

Dr. Sankar DasGupta, Chairman.

Dr. Bejoy DasGupta (since 1999). Deputy Director of Institute of International Finance.

Dr. Michael Gopikanth (since 2001).

Dr. Alexander McLean (since 2006). Professor Emeritus at University of Toronto, as well as a Consulting and Adjunct Professor at other universities around the world.

Dr. Bernand Fleet (since 2008). Consultant and CEO of Fleet Technology Partners.

CORPORATE INFORMATION

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