



Valence Technology and Electric Vehicles International Reach Exclusivity Agreement

Valence Technology Inc. Will Be the Exclusive Battery Supplier to Electric Vehicles International (EVI) for Their Medium Duty and Walk-In Fully Electric Trucks

AUSTIN, Texas & STOCKTON, Calif., Nov 04, 2009 (BUSINESS WIRE) -- Valence Technology, Inc. announced today at the Grand Opening ceremony for EVI's new US headquarters and production facility in Stockton, California, that it reached an exclusive supply agreement with leading electric vehicle manufacturer EVI.

"We are pleased to have secured a deal with Valence Technology for their patented Lithium-Iron Magnesium Phosphate battery systems," said Ricky Hanna, CEO of Electric Vehicles International. "We have introduced today our new state-of-the-art electric commercial vehicles, the MD-EVI and the WI-EVI, and we know that being able to offer the best and most reliable battery technology out there will give us the edge over any competitors."

"The Valence U-Charge(R) energy storage systems offers EVI the flexibility to offer three distinctive electric trucks from class 4 (15,000 lbs) to class 6 (25,950 lbs). Customers also have the flexibility to select specific operating ranges from 60 to 115 miles to fulfill their specific service needs," said Robert L. Kanode, President and CEO of Valence Technology. "We are pleased to offer EVI the safety, flexibility, reliability and freedom to sell their superior product in 20 countries with Valence Technology's extensive patent estate. EVI's abuse testing of the U-Charge(R) system has validated the safety, reliability and continuous delivery of energy throughout an extended life that EVI commercial customers demand. Therefore, we are pleased to offer EVI and their customers a 5-year warranty on our battery systems."

Since 2005, Valence has shipped nearly 80 megawatt-hours of energy, or the equivalent of approximately 4,000 electric cars. Valence Technology's energy storage solutions can be found in commercial electric vehicles from EVI, Smith Electric and PVI (in partnership with Renault Trucks), as well as in Brammo electric motorcycles, Oxygen scooters, Segway personal transporters, Tennant floor scrubbers and other advanced alternative transportation solutions.

Carl E. Berg is a principal shareholder of both Valence and EVI.

About Valence Technology, Inc. Valence Technology is an international leader in the development of lithium phosphate energy storage solutions. The company has redefined lithium battery technology and performance by marketing the industry's first safe, reliable and rechargeable lithium iron magnesium phosphate battery. Founded in 1989, Valence today offers a proven technology and manufacturing infrastructure that delivers ISO-certified products and processes that are protected by an extensive global patent portfolio. Headquartered in Austin, Texas, Valence has facilities in Nevada, China and Northern Ireland. Valence is traded on the NASDAQ Capital Market under the ticker symbol VLNC. For more information, visit www.valence.com.

About EVI - Electric Vehicles International. Electric Vehicles International (EVI) is a leading manufacturer of electric vehicles for multiple applications covering a diverse range of transportation options for today's environmentally-aware and cost-conscious customers. EVI focuses on providing highly effective solutions using the newest electric motor and controller technologies as well as delivering the highest standards of reliability and efficiency. The portfolio ranges from a two-person light-duty vehicle to medium-duty, class 6 vehicles. For more information about EVI, visit www.evi-usa.com.

Safe Harbor Statement. This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Actual results may vary substantially from these forward-looking statements as a result of a variety of factors, including the quantity of batteries purchased or whether any batteries are purchased under the supply agreement, and Valence's ability to gain, maintain and expand further commercial acceptance of its products and technologies. The risk factors that could affect actual results are discussed in our periodic reports filed with the Securities and Exchange Commission, including our Report on Form 10-K for the year ended March 31, 2009, and the reader is directed to these statements for a further discussion of important factors that could cause actual results to differ materially from those in the forward-looking statements.

SOURCE: Valence Technology, Inc.

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