



## Valence Technology Expands Reach in Motive Markets

### Company Confirms Purchase Orders with EV Truck Manufacturer

AUSTIN, Texas, Dec 17, 2009 (BUSINESS WIRE) -- [Valence Technology, Inc.](#) (NASDAQ: VLNC), an international developer of safe lithium iron magnesium phosphate energy storage solutions, today confirmed purchase orders from Smith Electric Vehicles U.S. (Smith U.S.). Smith U.S. is the U.S. associate of Smith Electric Vehicles in the UK, which employs Valence's U-Charge energy storage solutions for electric delivery trucks in Europe.

Valence will provide U-Charge systems to Smith U.S. during the third and fourth fiscal 2010 quarters, as Smith U.S. continues to ramp up production of its Newton electric truck line at its Kansas City production facility. The total value of the shipments over the two quarters is expected to approximate \$1.4 million.

The Smith Newton delivers a top speed of 50mph and offers end users battery ranges from 50 - 120 miles on a single charge. Smith U.S. commenced production of the Newton in November and is expanding its production capabilities in line with customer demand for 2010.

"We are pleased to be working with Smith Electric Vehicles U.S. as a supplier to its Newton vehicle line," said Robert L. Kanode, president and CEO of Valence Technology. "The number of environmentally friendly vehicles on roadways, thanks to Valence Technology energy storage systems, continues to increase around the world."

### About Valence Technology, Inc.

Valence Technology, headquartered in Austin, Texas, is an international leader in the development of safe, long life lithium iron magnesium phosphate energy storage solutions. Valence Technology is traded on the NASDAQ Capital Market under the ticker symbol VLNC. For more information, visit [www.valence.com](http://www.valence.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 whether any batteries are purchased under any additional purchase orders from Smith Electric Vehicles (U.S.), and Valence's ability to deliver on the purchase orders, 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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