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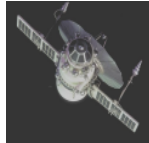
CORPORATION

NYSE Arca: ERI

A multi-national manufacturer of electronic devices and communications equipment for the aerospace, defense, commercial and industrial markets in North America and Europe

May 2009

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Safe Harbor Statement, Other Information

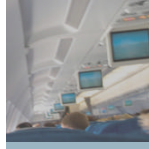
The matters discussed in this presentation, including any oral comments that accompany the presentation or given in response to questions, may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, but are not limited to, orders, backlog, financial results, products, and/or other events that have not yet occurred. Actual results may differ materially from those forward-looking statements. Factors that could contribute to such differences include, but are not limited to, variations in forecasted growth rate of markets for the company's products, changes in EMRISE's financial condition and financial results, the company's ability to distinguish itself and its products from current and future competitors and those factors contained in the "Risk Factors" Section of the company's most recent filings with the U.S. Securities and Exchange Commission on Form 10-K and Form 10-Q.

Unless otherwise indicated, financial results presented for all periods in this presentation are shown as "from continuing operations" and exclude the financial results for Digitran, which was sold 3/20/09. Digitran results, when included, are presented as "discontinued operations."

May 2009

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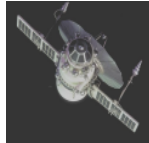
Company Highlights

- **Acquired Advanced Control Components (ACC) 8/08**
 - ✓ EMRISE gained access to U.S. defense market
 - ✓ Expanded electronic devices product line
 - ◆ Includes RF devices for “force protection” and “terrorist interdiction”
 - ✓ Accretive
- **2008 record revenue of \$51 million, up 13% from 2007¹**
- **Positive Adjusted EBITDA² of \$1.4 million for 2008¹**
- **Sold non-core Digitran switch business 3/20/09**
 - ✓ All cash deal – \$11.5 million at closing, \$500,000 earn out
 - ✓ Repaid \$10 million of debt used to purchase ACC
 - ◆ Cut ongoing interest expense by more than \$300,000 per quarter
 - ◆ Improved balance sheet, tangible net worth, debt to equity ratio

¹Results for Digitran excluded from all periods shown, includes ACC results since Aug '08

²Adjusted EBITDA is non-GAAP measure and defined as earnings before interest, taxes, depreciation and amortization, non-cash stock compensation, net other income, loss on early extinguishment of debt and loss on asset impairment, less net gain on discontinued operations

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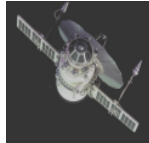


Company Highlights (Cont'd)

- **Q1 '09 revenue of \$14.2 million, up 34% year-over-year¹**
- **Positive adjusted EBITDA of \$425,000 for Q1 '09¹**
- **Recently cut annualized operating costs by ~\$3 million**
 - ✓ \$2 million at business unit level
 - ✓ \$1 million at corporate level with headquarters relocation
- **Focused on growing core businesses**
 - ✓ Organic growth, acquisitions, alliances
- **Principal markets in U.S. and Europe**
- **Projecting strong year-over-year performance in 2009**
 - ✓ 18% revenue growth from continuing operations¹
 - ✓ Positive Adjusted EBITDA for full year
 - ✓ Profitable for last half 2009

¹Results for Digitran excluded from all periods shown, includes ACC results since Aug '08

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Product, Markets & Opportunities

Electronic Devices

- **Product categories**
 - ✓ RF devices and subsystems
 - ✓ Power systems

- **Markets**
 - ✓ Defense
 - ✓ Commercial aviation
 - ✓ Industrial

- **Primary growth opportunity**
 - ✓ Global defense
 - ◆ "Force protection" and "terrorist interdiction"
 - ◆ Business outlook strong despite weak global economy

Communications Equipment

- **Product categories**
 - ✓ Network access including timing & synchronization
 - ✓ Network test equipment

- **Markets**
 - ✓ Public & private networks
 - ✓ Utility networks
 - ✓ Defense networks

- **Primary growth opportunity**
 - ✓ Edge network timing & synchronization

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Key Customers – Electronic Devices

USA



Europe



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Key Customers – Communications

USA



Asia



Europe



French Ministry
Of Defense

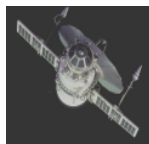
British Ministry
Of Defence



North Africa

Public Telephone Networks including:
Tunisia, Libya, Algeria, Morocco, Gambia,
Côte d'Ivoire, Cameroon, Mauritania

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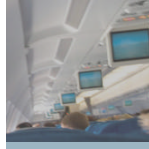


Q1 '09 Income Statement Highlights

(Thousands, except % EPS)	Q1 2009 ¹ (Unaudited)	Q1 2008 ¹ (Unaudited)
From continuing operations:		
Revenue, up 34%	\$ 14,210	\$ 10,640
Gross margins	34.9%	32.3%
Loss from continuing operations	\$ (770)	\$ (1,270)
Discontinued operations:		
Gain on sale of Digitran	\$ 7,220	-
Taxes on gain on sale	\$ 1,360	-
Net income (loss)	\$ 5,270	\$ (900)
EPS – fully diluted	\$ 0.51	\$ (0.09)
Adjusted EBITDA (non-GAAP measure, see slide 3)	\$ 425	\$ (290)

¹Digitran financial results excluded from all periods shown, except those shown for Discontinued operations, Net income (loss) and EPS. Includes results of ACC since Aug '08

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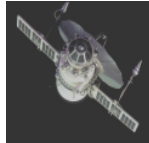
Q1 '09 Balance Sheet Highlights

(Thousands)	Q1 2009 ¹ (Unaudited)	12/31/08 ¹
Cash and equivalents	\$ 3,630	\$ 3,240
Total assets	\$ 48,235	\$ 53,620
Current ratio	1.33:1	1.33:1
Working capital	\$ 6,750	\$ 7,570
Total debt including both short- and long-term obligations	\$ *13,245	\$ 23,470
Stockholders' equity	\$ 17,885	14,004

*Reflects \$10 million payment made in March '09 to reduce ACC related acquisition debt

¹Where applicable, Digitran results have been excluded from periods shown

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Annual Financial Highlights^{1,2}

Revenue from Continuing Operations Trend



¹Foreign revenues translated to US dollars from local currencies can be positively or negatively impacted by fluctuations in exchange rates for British pound and Euro in relation to U.S. dollar

²Results for Digitrans excluded from all periods shown, includes ACC results since Aug '08

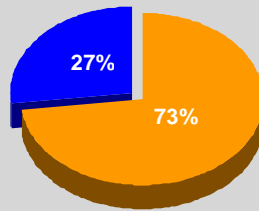
³Does not include impact of future acquisitions or sales of non-core businesses or product lines

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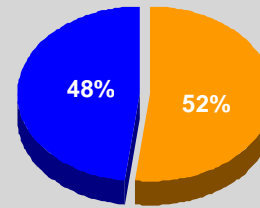
2009 Overview: Estimated Revenue \$60+ Million¹

Business Segments



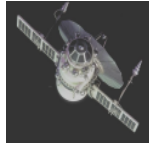
■ Communications
■ Electronic Devices

Production by Region

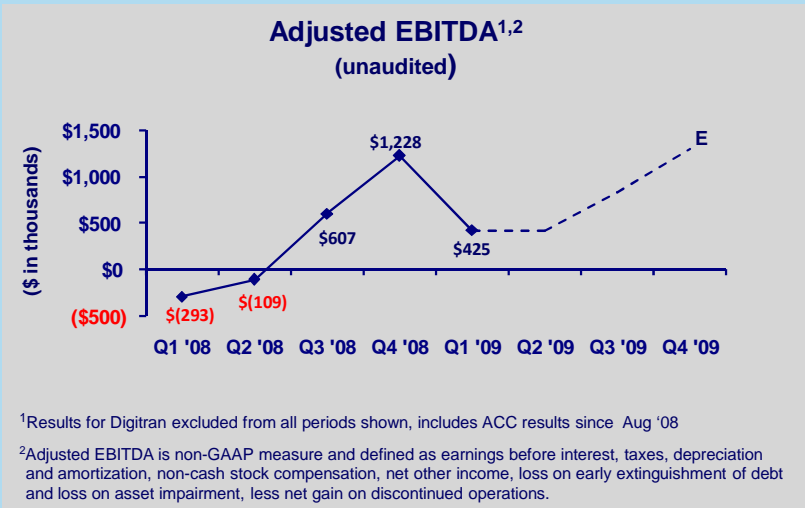


■ United States
■ Europe & Asia

¹Revenue from continuing operations; excludes Digitran revenue



Quarterly Adjusted EBITDA



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Corporate Growth Strategies

➤ Increase revenue and profitability

- ✓ Accelerate organic growth in core businesses
 - ◆ Electronic devices for global defense and commercial applications
 - “Force protection” and “terrorist interdiction”
 - In-flight Entertainment & Communications (IFE&C) systems (currently on plan for 2009, should rebound as economy improves)
 - ◆ Edge Network Timing & Synchronization
 - ◆ Capitalize on customer base, operations in NA, Europe & Asia
- ✓ Improve gross margins
- ✓ Focus on containment/additional reductions of operating cost
- ✓ Cut interest costs by reducing debt further, replacing lender

➤ Strengthen focus on core businesses

- ✓ Acquisitions
- ✓ Alliances

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Growth Opportunity – ACC

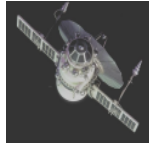
➤ Global defense market & commercial market opportunities

- ✓ High performance RF and microwave components for military, aerospace, commercial and instrumentation markets
 - ◆ RF devices used in radio controlled IED (RCIED) jamming systems for military
- ✓ \$18+ million revenue in first 12 months post-close expected, up from \$12 million in prior 12-month period
 - ◆ \$7 million in new orders for RF devices used in RCIED jamming systems received since August '08
- ✓ Significant margin and profit contributions
- ✓ Expanded product offerings for commercial and defense markets
- ✓ EMRISE Federal NOLs provide tax shelter for consolidated income
 - ◆ Maximizes net income/EPS, improves cash flow

➤ Excellent global growth potential, despite economy

- ✓ RCIED jamming systems in defense, commercial, government markets
 - ◆ ACC can enter European markets via EMRISE UK operations

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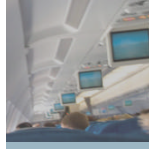
Growth Opportunity – Network Timing

➤ Convergence of IP-based networks creating demand for edge network timing equipment

- ✓ Advantages of edge network timing versus central-office timing
- ✓ Homeland Security needs for dispersed edge network timing
- ✓ Accurate timing required for next-generation broadband and mobile phone, data and video traffic
- ✓ Potential for broad proliferation into all communications networks
 - ◆ Private networks
 - ◆ Public utilities
 - ◆ Government and military

➤ Deployment of “Next Generation Networks” that include network management protocols

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Stock Information

Common shares	NYSE Arca: ERI
52-week price range (split adjusted)	\$0.65 - \$3.19
Recent price (5/19/09)	\$1.43
Average daily trading volume	29,660
Common shares	10.2 million
Market capitalization	\$14.59 million
Institutional ownership	20+%
Insider ownership (officers, directors)	4%

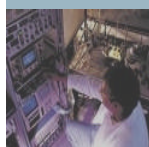
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Investment Thesis

- **Strong top- and bottom-line growth, despite economy**
- **Expanded and growing military electronics business**
 - ✓ RF devices & power systems – U.S., Europe, elsewhere
- **Commercial and government market growth opportunities**
 - ✓ New edge network timing & synchronization products
 - ✓ IFE&C (on plan for 2009, should begin rebound as economy improves)
 - ✓ RF devices & power systems
- **Geographically diverse – presence in NA and Europe**
- **Large international base of blue-chip customers**
 - ✓ Long-term contracts, repeat custom product revenue
- **Valued at 0.24X '09E sales vs. 0.67X peer group average**

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