

EMRISE 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

Rodman & Renshaw

Annual Global Investment Conference

September 11, 2009, New York, NY



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.

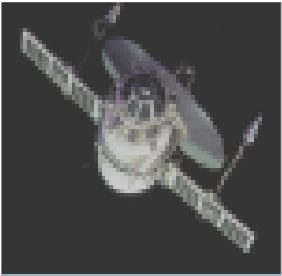
Unless otherwise indicated, financial results presented for all periods in this presentation are shown as "from continuing operations" and exclude the financial results for Digitran, which was sold 3/20/09. Digitran results, when included, are presented as "discontinued operations."

Adjusted EBITDA, which is a non-GAAP measure, is used by management to assist in evaluating the performance of EMRISE and is included in this presentation. EMRISE defines Adjusted EBITDA as earnings before interest, taxes, depreciation/amortization, non-cash stock compensation, net other income, loss on early extinguishment of debt, loss on asset impairment, less net gain on discontinued operations

September 2009

2

EMRISE
CORPORATION



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 three non-core businesses – 8/08 thru 3/09**
 - ✓ All cash deals – \$11.5 million proceeds, \$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 Digitrans excluded from all periods, includes ACC results since acquisition in Aug '08.

²Non-GAAP measure, see slide 2



Company Highlights (Cont'd)

➤ Q2 2009¹

- ✓ Revenue \$14.3 million, up 19% Y-O-Y; Adjusted EBITDA² \$926,000

➤ First six months 2009¹

- ✓ Revenue \$28.5 million, up 26% Y-O-Y; Adjusted EBITDA² \$1.4 million

➤ Recently cut annualized operating costs by ~\$3 million

➤ Strengthening core businesses

- ✓ Organic growth, acquisitions, alliances

➤ Projecting strong year-over-year performance in 2009

- ✓ Revenue¹ up ~16% to ~\$60 million
- ✓ Backlog of \$27.8 million as of 6/30/09
- ✓ Solid positive Adjusted EBITDA² trend throughout last half 2009
- ✓ Positive Adjusted EBITDA² for full year
- ✓ EMRISE Federal NOLs provide tax shelter for consolidated income

¹Results for Digitrans excluded from all periods, includes ACC results since acquisition in Aug '08.

²Non-GAAP measure, see slide 2

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 the British pound and Euro in relation to the U.S. dollar

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

EMRISE
CORPORATION

P & L Highlights

(\$ in Thousands, Except EPS)	Q 2 Ended		Six Months Ended	
	6/30/09 ¹ (Unaudited)	6/30/08 ¹ (Unaudited)	6/30/09 ¹ (Unaudited)	6/30/08 ¹ (Unaudited)
Continuing operations:				
Revenue, up 19% & 26%	\$ 14,270	\$ 12,022	\$ 28,483	\$ 22,665
Gross margins	38.3%	30.9%	36.6%	31.6%
Loss	\$ (411)	\$ (881)	\$ (1,184)	\$ (2,149)
Discontinued operations:				
Net gain (loss)	\$ (103)	625	\$ 5,943	996
Net income (loss)	\$ (514)	\$ (256)	\$ 4,759	\$ (1,153)
EPS – fully diluted	\$ (0.05)	\$ (0.03)	\$ 0.47	\$ (0.11)
Adjusted EBITDA ²	\$ 926	\$ (155)	\$ 1,351	\$ (445)

¹Digitran financial results excluded from all periods shown, except those shown for Discontinued operations, Net income (loss) and EPS. Includes results of ACC since acquisition in Aug '08. ²Non-GAAP measure, see slide 2.

EMRISE
CORPORATION

Adjusted EBITDA Summary^{1,2} (Unaudited)

Q2 '09 Adjusted EBITDA

(\$ in Thousands)

\$ 926

Other Items Expected to Favorably Impact Quarterly Net Income and Adjusted EBITDA Starting Q3/Q4 '09

Q2 '09 severance	\$ 200
Estimated quarterly decrease in business unit operating expense	500
Estimated quarterly decrease in corporate-level operating expense	250
Total Other Items	\$ 950



¹Results for Digitrans excluded from all periods, includes ACC results since acquisition in Aug '08.

²Non-GAAP measure, see slide 2

EMRISE
CORPORATION

Balance Sheet Highlights

(\$ in Thousands)	6/30/09 ¹ (Unaudited)	12/31/08 ¹
Cash and equivalents	\$ 4,832	\$ 3,242
Total assets	\$ 53,285	\$ 53,623
Current ratio	1.34:1	1.33:1
Working capital	\$ 7,392	\$ 7,571
Total debt including both short- and long-term obligations	\$ *18,019	\$ 23,476
Stockholders' equity	\$ 19,210	14,004

*Reflects \$10 million payment made in March '09 to reduce ACC related acquisition debt, and includes \$3 million in future long term earn-out obligations associated with ACC acquisition

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

EMRISE
CORPORATION



Stock Information

Common shares	NYSE Arca: ERI
52-week closing price range (split adjusted)	\$1.05 - \$3.19
Recent price (8/25/09)	\$1.25
Average daily trading volume	11,680
Common shares	10.2 million
Market capitalization	\$12.8 million
Book value per share (as of 6/30/09)	\$1.88
Institutional ownership	20+%
Insider ownership (officers, directors)	4%¹

¹Does not include CEO/Founder's family's holdings of ~7%

EMRISE
CORPORATION

Product, Markets & Opportunities

Electronic Devices

- **Product categories**
 - ✓ RF devices and subsystems
 - ✓ Power systems
- **Markets**
 - ✓ Defense
 - ✓ Commercial aviation (IFE&C)
 - ✓ 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

EMRISE
CORPORATION

Key Customers – Electronic Devices

USA



Europe



EMRISE
CORPORATION



Key Customers – Communications

USA



MOTOROLA



Asia



Taiwan

Europe



**French Ministry
Of Defense**

**British Ministry
Of Defence**



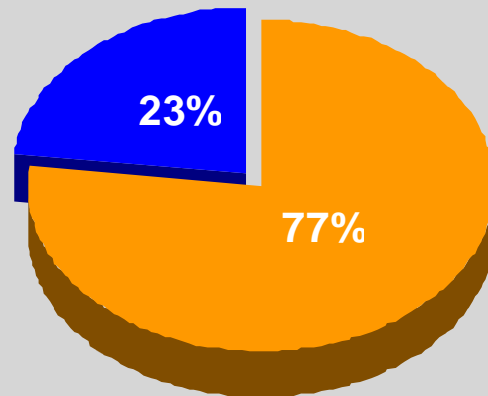
North Africa

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

**EMRISE
CORPORATION**

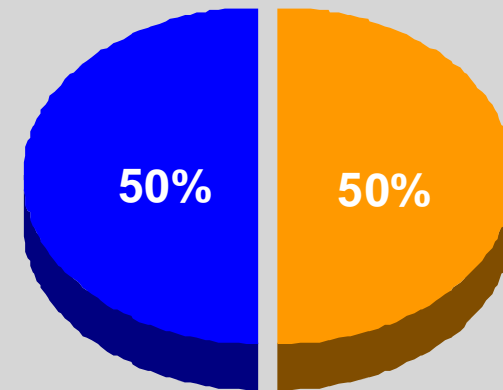
2009 Overview: Estimated Revenue ~\$60 Million¹

Business Segments



■ Communications
■ Electronic Devices

Production by Region



■ United States
■ Europe & Asia

¹Revenue from continuing operations; excludes Digitran revenue

EMRISE
CORPORATION



Growth Opportunity – Electronic Devices

➤ 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
- ✓ 12-month ACC revenue forecast \$18 million, up from \$12 million for TTM
 - ◆ Significant margin and profit contributions
- ✓ Expanded product offerings for commercial and defense markets

➤ Excellent global military and homeland defense growth potential, despite economy

- ✓ RCIED jamming systems
- ✓ Capability to leverage the Company's local market presence to sell into both the US and European markets

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
 - ◆ Public telecommunications networks (wireline, wireless, cable)
 - ◆ Private networks
 - ◆ Public utilities
 - ◆ Government and military





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 0.21X Next FY Sales (E) vs. 0.81X peer group average**
- **Trading at 40% discount to book value**



EMRISE 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

Rodman & Renshaw

Annual Global Investment Conference

September 11, 2009, New York, NY