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# News Release

Reference: ROA050901  
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## **RO joins EMRISE group of power companies**

EMRISE CORPORATION (PCX: ERI), a multi-national manufacturer of defense and aerospace electronic components and subsystems and communications equipment, today announced its defense and aerospace subsidiary EMRISE Electronics Corporation has completed the acquisition of the power conversion manufacturer RO Associates Inc. (RO). Based in Sunnyvale, CA, RO is a 42-year old Silicon Valley pioneer in patented high efficiency, high quality power conversion products. RO manufactures in a state of the art highly automated 30 thousand square foot facility standard and semi-custom DC-DC and AC-DC converters and other related components for military, communications and high-end industrial customers. RO's mostly patented products usually ensures that once a customer designs RO proprietary power converters into its product they are locked into using that RO power converter for the life cycle of the product. EMRISE purchased RO for \$3 million cash and the payoff of \$1.6 million in RO bank debt. The all cash acquisition is expected to be accretive of EMRISE earnings.

Graham Jefferies, Executive Vice President and Chief Operating Officer of EMRISE, commented, "The acquisition of RO is the culmination in the U.S. of a two year effort to identify a much needed U.S. power conversion manufacturing presence. RO will provide U.S. content as off- set to support our various European based defense and aerospace customers who are incorporating our custom U.K. manufactured Xcel Power Systems Ltd. and most recently our newly acquired Pascall Electronics Ltd. products into their products going into the U.S. defense and aerospace market. In addition, our U.K. based subsidiaries are incorporating certain outside sourced standard converter products into their full custom military power conversion products which can now be manufactured in-house by RO."

Carmine T. Oliva, Chairman, President and CEO of EMRISE, stated, "The acquisition of RO completes the strategy to establish EMRISE as both a U.S. and European based manufacturer of power conversion and

related RF and micro wave components and sub systems. Our power conversion business now totals over \$30 million in forward annual revenue. In addition, the acquisition of RO serves to broaden our market penetration into what for us is the important "In Flight Entertainment" commercial aircraft market to compliment our substantial military aircraft market penetration. RO presently delivers product to one of the three market leaders of in flight entertainment systems not being served by either our Xcel Power or Pascall subsidiaries which each delivers product to one of the other two major players in this market. We believe with a U.S. presence we will be well positioned to greatly increase our penetration into all three suppliers to this market."

EMRISE CORPORATION is a multi-national manufacturer of defense and aerospace electronic components and subsystems and communications equipment. EMRISE's electronic components group, which includes EMRISE Electronics Corporation and its international subsidiaries, provides custom power conversion and RF component and subsystem products, digital and rotary switches and subsystem assemblies to the North American, European and Asian electronic components market and are primarily used for defense, aerospace and industrial applications. EMRISE's communications group, consisting of CXR Larus Corporation and CXR-AJ, provides network access and timing and synchronization and transmission products and communications test equipment to the North American, European and Asian communications industry. Founded in 1983, EMRISE operates out of facilities in the United States, England, France and Japan. As of August 31, 2005, EMRISE had a total of 305 employees in its various subsidiaries and divisions.

[www.emrise.com](http://www.emrise.com)

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995

With the exception of historical information, the matters discussed in this press release are forward-looking statements that involve a number of risks and uncertainties. The actual future results of EMRISE CORPORATION could differ from those statements. Factors that could cause or contribute to such differences include, but are not limited to, RO Associates' ability to have sales of \$7 million and net income of \$1 million in the next 12 Months, the power conversion RF and Micro Wave components and sub system

products ability to achieve and sustain over \$30 million in forward annual revenue and those factors contained in the "Risk Factors" Section of the company's Form 10-K for the year ended December 31, 2004.

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**Note to editors:**

RO Associates is a Manufacturer of High Reliability Power Products. Founded in 1963, RO designs and manufactures a full line of standard, modified standard and complete custom power solutions for the Industrial, Telecommunication, Aerospace and Military (COTS) markets. RO has a long standing reputation for providing the highest customer service and applications engineering in support of its products and services.