

NEWS

EMRISE CORPORATION

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FOR IMMEDIATE RELEASE

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EMRISE'S SUBSIDIARY, CXR LARUS AWARDED MULTI-YEAR CONTRACT BY U.S. DEPARTMENT OF THE NAVY FOR SUPPLY OF HALCYON TEST EQUIPMENT

RANCHO CUCAMONGA, CALIFORNIA, August 21, 2007 - **EMRISE CORPORATION (NYSE ARCA:ERI)**, a multi-national manufacturer of defense and aerospace electronic devices and communications equipment, today announced that its subsidiary, CXR Larus Corporation, has been awarded a three year contract, valued at approximately \$800,000 by the U.S. Department of the Navy ("Navy") for supply of the full line of its Halcyon test equipment. The face value of the contract is for the Navy only. The contract also allows all other branches of the armed services to procure CXR Larus Halcyon products through the Navy procurement website, www.NAVICPmart.com. In addition other federal agencies such as Homeland Defense will also be able to purchase their requirements through the Navy's procurement site under the terms of the Navy's contract.

CXR Larus produces a broad range of telecommunications products including network timing and synchronization equipment, network access and LAN extension products and test equipment for both public carriers and private telecommunications networks on a worldwide basis.

Carmine T. Oliva, Chairman, President and CEO, remarked: "The Halcyon line of test equipment is a legacy product that has been a stable test equipment choice for the special testing requirements of the armed services, the FAA, and many other government agencies that have extensive T1 copper networks. The contract adds to the on going test equipment revenue we have enjoyed for the past several years for the multi-billion dollar FAA commercial air tower communications equipment upgrade program. The award of this contract by the Navy was doggedly pursued by many of our competitors. We believe this contract continues to validate our Halcyon product solution and provides longer term continued life for the Halcyon product line." He added, "We believe that by being awarded this contract we will not only be able to capitalize on the Navy and other armed forces demands but expand the value of the award to other federal agencies for these very high gross margin products over the next three years of this new contract."

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About EMRISE CORPORATION

EMRISE Corporation is a multi-national manufacturer of defense, aerospace and industrial electronic devices and communications equipment. EMRISE's electronic devices group, which consists of EMRISE Electronics Corporation and its international subsidiaries, provides power conversion, RF devices as well as digital and rotary switches to the North American, European and Asian electronic market. EMRISE's communications equipment group, consisting of CXR Larus Corporation and its subsidiary CXR Anderson Jacobson, provides network access and timing and synchronization products 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 July 31, 2007, EMRISE had a total of 301 employees in its various subsidiaries and divisions. Website: www.emrise.com. Listed on NYSE Arca under the ticker symbol: ERI.

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, including without limitation, statements regarding the ability to achieve worldwide sales, 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, the ability of EMRISE Corporation to produce and deliver new orders to the Department of Navy in a timely manner; the inability to receive future orders from any additional branches of the armed service or other Federal agencies, the ability to successfully market and produce the product worldwide; the ability of EMRISE to provide continued products or services in the Halcyon family of test products, ability to obtain new business or to build upon existing business with new or existing customers; unforeseen technical issues, and those factors contained in the "Risk Factors" Section of the Company's Form 10-K for the year ended December 31, 2006 and other Company filings.

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