



Chris Butterfield  
ESI  
503-672-5760

**FOR RELEASE on 1/04/08 at 6:00 a.m., Tokyo Time**

## **ESI ANNOUNCES DIRECT REPRESENTATION FOR MEMORY REPAIR PRODUCTS IN JAPAN**

**TOKYO, JAPAN—Jan. 4, 2008—** Electro Scientific Industries, Inc. (Nasdaq: ESIO), a leading provider of world-class photonic and laser systems for micro-engineering applications, today announced that it will directly represent its memory repair products in Japan and separate from Canon Marketing Japan Inc., its distributor. Effective April 1<sup>st</sup>, 2008, ESI will transition the sales and customer service of its memory repair products in-house as part of the company's ongoing initiative to increase its global sales and support infrastructure. Over the past several months, ESI has expanded its service and support team in Japan by 133 percent to prepare for this important transition.

With the move to in-house distribution, ESI can deliver increased benefits to its customers in Japan and reduce response times for customer issues and inquiries. The shortened chain of command will allow rapid, top-down responses to critical issues. In addition, ESI can ensure world-class quality control as customers will work directly with experienced ESI personnel. ESI currently sells directly in markets such as China, Korea, Taiwan, Singapore, France, Germany, United Kingdom, and North America.

“Separating from our long-time partner Canon was a decision that was not taken lightly,” explained ESI president and CEO Nick Konidaris. “However, we view this as a key step in our overall plan to structure our business into a more efficient, global, customer-centric model by taking this process in-house. We plan to increase our investment in the region and augment our work force. This will enable us to accelerate our growth and better serve our customers in Japan. I would like to take this opportunity to extend my gratitude and deepest appreciation for Canon's tireless efforts during their long-term relationship with ESI and wish them continued success.”

**About ESI, Inc.**

ESI is a pioneer and leading supplier of world-class photonics and laser systems that help its microelectronics customers achieve compelling yield and productivity gains. The company's industry-leading, application-specific products enhance electronic-device performance in three key sectors—semiconductors, components and electronic interconnect—by enabling precision fine-tuning of device microfeatures in high-volume manufacturing environments. Founded in 1944, ESI is headquartered in Portland, Ore. More information is available at [www.esi.com](http://www.esi.com).

###