



January 7, 2009

Orion Energy Systems, Inc. Adopts Shareholder Rights Plan

MANITOWOC, Wis., Jan 07, 2009 (BUSINESS WIRE) --

Orion Energy Systems, Inc. (Nasdaq:OESX) ("Orion") announced that its Board of Directors adopted a shareholder rights agreement. In connection with the adoption of the rights agreement, the Board declared a dividend of one common share purchase right on each outstanding share of Orion's common stock. The issuance of the rights under the rights agreement will be made on February 15, 2009 to shareholders of record as of the close of business on February 1, 2009.

The rights are designed to enable all Orion shareholders to realize the full long-term value of their investment and to provide for fair and equal treatment of all shareholders in the event that an unsolicited or unfair attempt is made to acquire Orion. Orion believes that the rights agreement will help protect shareholders against abusive or unfair takeover tactics that may be used to gain control of the company without paying a price that is in the best interest of all shareholders. The rights agreement was not adopted in response to any known offers to acquire Orion and is similar to rights agreements adopted by many other companies.

The rights will be exercisable only if a person or group acquires 20% or more of Orion's outstanding common stock or announces a tender offer, consummation of which would result in ownership by a person or group of 20% or more of the outstanding common stock.

Each right will initially entitle shareholders to buy one share of common stock at an initial exercise price of \$30.00 per share, subject to adjustment. If any person becomes a 20% or more shareholder of Orion, then each right (subject to certain limitations) will entitle its holder to purchase, at the rights' then-current exercise price, a number of common shares of Orion or of the acquirer having a market value at the time of twice the right's exercise price.

Orion's Board of Directors may redeem the rights for \$0.001 per right at any time prior to the time when the rights become exercisable. Unless the rights are redeemed, exchanged or terminated earlier, they will expire on January 7, 2019.

Additional details regarding the rights agreement are contained in a Form 8-K to be filed by Orion with the Securities and Exchange Commission and in a summary to be mailed to all shareholders on or about February 15, 2009.

Orion Energy Systems, Inc.

Orion Energy Systems, Inc. (Nasdaq:OESX) is a leading power technology enterprise that designs, manufactures and implements energy management systems, consisting primarily of high-performance, energy efficient lighting systems and controls and related services, for commercial and industrial customers without compromising their quantity or quality of light.

SOURCE: Orion Energy Systems, Inc.

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