



IRVINE SENSORS CORPORATION NEWS RELEASE

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FOR IMMEDIATE RELEASE

**IRVINE SENSORS STACKED MEMORY PART COMMERCIALY QUALIFIED
Production orders received**

COSTA MESA, CALIFORNIA – September 13, 2004 -- Irvine Sensors Corporation (Nasdaq: IRSN, Boston Stock Exchange: ISC) announced today that a commercial original equipment manufacturer (“OEM”) has recently completed an extended qualification of one of its stacked memory products. Following notice of qualification in August 2004, Irvine Sensors has already received two production orders for the product intended for end use by this OEM. The qualified part consists of a stack of two 256 Mbit, 133 Mhz Samsung® SDRAM parts in Thin Small Outline Packages (TSOPs).

Robert G. Richards, Chief Executive Officer, said, “This particular memory configuration illustrates many of the attractions that stacking can have for some customers. Two of the 256 Mbit memories can presently be stacked together to emulate a monolithic 512 Mbit part at a lower price to the end-user than the price of the monolithic part itself. Secondly, the 512 Mbit monolithic part is presently in heavy demand in the industry, so delivery schedules should be more predictable for a stack of 256 Mbit SDRAMs than for the monolithic part. Finally, the stacked part has been qualified in a legacy product line that would be expensive and time-consuming to re-design and re-qualify for more advanced memory products. For all these reasons, we believe that this particular TSOP product, and upgraded versions as the memory itself upgrades, could have a meaningful product lifetime, even as the industry begins to shift toward Ball Grid Array (BGA) configurations over the long haul. In fact, we have other potential commercial customers who have expressed an interest in this particular stacked TSOP part or have initiated qualification activities for its use. The new orders for the this part have already exceeded the modest production levels that we discussed in our most recent web cast.”

For information about pricing, schedule or product configurations of Irvine Sensors stacked memory products, please direct inquiries to either TSOPStack@irvine-sensors.com or BGASStack@irvine-sensors.com, depending on whether information is desired about stacked TSOP packages or stacked BGA packages, respectively.

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Irvine Sensors Corporation, headquartered in Costa Mesa, California, is primarily engaged in the design, manufacture and sale of stacked chip assemblies, infrared cameras and application-specific electronics. The Company also conducts funded research and development related to high density electronics, miniaturized sensors, optical interconnection technology, high speed routers, image processing and low-power analog and mixed-signal integrated circuits for diverse systems applications.

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Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: This news release may contain forward-looking statements based on our current expectations, estimates and projections about our industry, management's beliefs, and certain assumptions made by us. Words such as "anticipates," "expects," "projects", "intends," "plans," "believes," "seeks," "estimates," "may," "will" and variations of these words or similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to, our expectations regarding continuing marketplace demand for stacked TSOP configurations and our ability to qualify, manufacture and respond to changing TSOP configurations. Such statements speak only as of the date hereof and are subject to change. We undertake no obligation to revise or update publicly any forward-looking statements for any reason. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to predict. Therefore, our actual results could differ materially and adversely from those expressed in any forward-looking statements as a result of various factors.

Important factors that may cause such a difference include, but are not limited to, the timing and successful completion of any technology and product development required to support a ramp-up to volume production; end users' ability to qualify our stacked TSOPs for use in their products; the market acceptance of our stacked TSOPs and the products that incorporate our stacked TSOPs; the timing and scope of any industry transition to BGA products; our ability to control costs and expenses; the potential unforeseen impact of product offerings from competitors; our ability to raise additional capital and general economic and political conditions and specific conditions in the markets we address, particularly as it might effect the status of contract manufacturing sources that we would likely have to employ to meet volume production demands. Further information on Irvine Sensors Corporation, including additional risk factors that may affect our forward looking statements, is contained in our Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q, our Current Reports on Form 8-K and our other SEC filings that are available through the SEC's website (www.sec.gov).

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