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News Release

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ESI Announces Restructuring

Vancouver, BC, February 6, 2007 -- ESI Entertainment Systems Inc. ("ESI") (TSX: ESY) today announced that it has undertaken a restructuring of the Company and its subsidiaries following its exit from transaction processing business for non-domestic Internet gaming merchants to and from U.S. consumers. The restructuring included both workforce and non-workforce related measures.

"We have chosen to streamline our business as result of the changing US operating environment," said Tony Greening CEO of ESI. "With these changes completed, we are now able to focus our cash reserves on our growing market opportunities in Europe and are better positioned to execute our international payment solution strategy.

As a result of the restructuring, ESI will generate savings of approximately \$5 million a year from non-workforce related measures and a significant reduction in work force within ESI and its subsidiaries. The Company is reducing head count by approximately a further 35% across its businesses.

ESI and its Citadel Commerce subsidiary are pursuing continuing sales of its products internationally, especially in Europe, and are moving into a number of non-gaming verticals. ESI, through its subsidiary ESI Integrity, will continue its global expansion of auditing and monitoring for the regulated government lottery and pari-mutuel horse racing industries.

About ESI Entertainment Systems Inc.

ESI Entertainment Systems Inc. ("ESI") (TSX: ESY) provides products and services to the international gaming industry through its three principal subsidiaries, Citadel Commerce Corp., ESI Integrity Inc. and PlayLine Inc. ESI's products and services, which primarily consist of payment processing, transaction monitoring and turnkey gaming platforms, are deployed in the on-line and land based gaming markets.

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