

U.S. Postal Service Extends Contract With I.D. Systems, Places New Orders for Wireless Industrial Vehicle Management Systems

WOODCLIFF LAKE, N.J., Feb. 15, 2011 (GLOBE NEWSWIRE) -- I.D. Systems, Inc. (Nasdaq:IDSY), a leading provider of wireless asset management solutions, today announced that the United States Postal Service (USPS) has awarded I.D. Systems a national contract extension for industrial vehicle management technology. The USPS has deployed I.D. Systems' solutions at more than 100 postal distribution facilities over the past five years. The contract extension, which runs through December 31, 2011, is a fixed-price, indefinite-quantity instrument, which does not define exact quantities, times, or places of product deliveries, but which streamlines USPS' ordering process with I.D. Systems.

In conjunction with the contract extension, the USPS placed purchase orders with I.D. Systems to implement its wireless industrial vehicle management system at two mail distribution facilities in Virginia.

"We are very pleased to continue providing our best-practice wireless vehicle management solutions to the USPS, which has been one of our best customers over the past five years," said Jeffrey Jagid, I.D. Systems' chairman and chief executive officer. "We look forward to helping the Postal Service continue achieving greater material handling efficiency, lower operating costs, and a safer distribution environment."

About Wireless Vehicle Management Systems

I.D. Systems' wireless vehicle management system (VMS) consists of intelligent wireless devices (Vehicle Asset Communicators®) installed on powered industrial vehicles (such as forklifts and pallet movers), a patented RF communication system, and software for access control, utilization analysis, real-time location tracking, and many other functions. The VMS helps improve industrial workplace safety and security by restricting vehicle access to trained, authorized operators and by providing electronic safety inspection checklists. The VMS helps reduce maintenance expenses by automatically uploading vehicle data, reporting vehicle problems in real time, giving management the option of scheduling maintenance according to actual vehicle usage rather than on a calendar basis, and helping plant management determine the optimal economic time to replace equipment. The VMS also helps improve productivity by ensuring equipment is in the proper place at the right time and by providing management with unique reports on vehicle utilization.

About I.D. Systems

Based in Woodcliff Lake, New Jersey, with subsidiaries in Germany and the United Kingdom, I.D. Systems is a leading provider of solutions for securing, controlling, tracking,

and managing high-value enterprise assets, including vehicles, powered equipment, trailers, containers, and cargo. The Company's patented technologies address the needs of organizations to monitor and analyze their assets to improve safety, security, efficiency, and productivity. For more information, visit www.id-systems.com.

"Safe Harbor" Statement:

This press release contains forward looking statements within the meaning of federal securities laws. Forward-looking statements include statements with respect to I.D. Systems' beliefs, plans, goals, objectives, expectations, anticipations, assumptions, estimates, intentions, and future performance, and involve known and unknown risks, uncertainties and other factors, which may be beyond I.D. Systems' control, and which may cause its actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. All statements other than statements of historical fact are statements that could be forward-looking statements. For example, forward-looking statements include: statements regarding prospects for additional customers; market forecasts; projections of earnings, revenues, synergies, accretion or other financial information; and plans, strategies and objectives of management for future operations, including integration plans in connection with acquisitions. The risks and uncertainties referred to above include, but are not limited to, future economic and business conditions, the loss of key customers or reduction in the purchase of products by any such customers, the failure of the market for I.D. Systems' products to continue to develop, the possibility that I.D. Systems may not be able to integrate successfully the business, operations and employees of acquired businesses, the inability to protect I.D. Systems' intellectual property, the inability to manage growth, the effects of competition from a variety of local, regional, national and other providers of wireless solutions, and other risks detailed from time to time in I.D. Systems' filings with the Securities and Exchange Commission, including its annual report on Form 10-K for the year ended December 31, 2009. These risks could cause actual results to differ materially from those expressed in any forward looking statements made by, or on behalf of, I.D. Systems. I.D. Systems assumes no obligation to update the information contained in this press release, and expressly disclaims any obligation to do so, whether as a result of new information, future events or otherwise.

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