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U.S. Postal Service Awards I.D. Systems Contract Valued at Up to \$4 Million to Initiate Upgrade & Expansion of Wireless Vehicle Management Systems

WOODCLIFF LAKE, N.J., March 19, 2014 (GLOBE NEWSWIRE) -- I.D. Systems, Inc. (Nasdaq:IDSY), a leading provider of wireless M2M asset management solutions, has received a contract from the U.S. Postal Service (USPS) to begin to upgrade and expand the company's wireless Vehicle Management Systems (VMS) across the USPS mail distribution network. Since awarding I.D. Systems a national contract in 2005, the USPS has deployed the company's VMS technology on more than 5,000 industrial vehicles in over 100 facilities. The new contract has an initial period of performance to September 30, 2014, with a potential value of up to \$4 million.

This is an "indefinite delivery/indefinite quantity" (IDIQ) contract, in which exact quantities, times and places of product deliveries are not known at the time of contract award. It is also a fixed price contract, with agreed upon pricing in effect for the full contract term.

"We are gratified and proud that, after almost a decade as our customer, the USPS continues to do business with I.D. Systems," said Kenneth Ehrman, president and interim CEO of I.D. Systems. "We think the Postal Service's commitment to begin refreshing and expanding its enterprise-wide deployment of our wireless industrial vehicle management technology is a testament to our longstanding leadership in the VMS business, and a reflection of the significant value of our industry-leading solutions for material handling operations."

About Vehicle Management Systems

Vehicle Management Systems (VMS) help improve workplace safety and security by restricting vehicle access to trained, authorized operators and by providing electronic vehicle inspection checklists. A wireless VMS also helps reduce fleet maintenance costs by automatically uploading vehicle data, reporting vehicle problems electronically, giving management the option of scheduling maintenance according to actual usage rather than on a calendar basis, and helping management determine the optimal economic time to replace equipment. In addition, a wireless VMS helps improve supply chain productivity by ensuring equipment is in the proper place at the right time, streamlining material handling work flow, and providing management with unique reports on vehicle utilization.

About I.D. Systems

Headquartered in Woodcliff Lake, New Jersey, with subsidiaries in Texas, Germany, and the United Kingdom, I.D. Systems, Inc. is a leading global provider of wireless M2M solutions for securing, controlling, tracking, and managing high-value enterprise assets, including rental

cars, industrial vehicles, trailers, containers, and cargo. The company's patented technologies address the needs of organizations to monitor and analyze their assets to increase efficiency and productivity, reduce costs, and improve profitability. PowerFleet® is a registered trademark of I.D. Systems. For more information, visit www.id-systems.com.

Cautionary Note Regarding Forward-Looking Statements

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, 2012. 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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