

I.D. Systems Receives \$1.5 Million in Orders from Leading Defense Contractor

HACKENSACK, N.J., Jan. 22 /PRNewswire-FirstCall/ -- I.D. Systems, Inc. (Nasdaq: IDSY), a leading provider of RFID-based wireless asset tracking and management solutions, today announced that it has received two purchase orders from a leading U.S. defense contractor with a total value of approximately \$1.5 million.

One order is for a Wireless Equipment Monitoring & Control System for managing material handling vehicles. This RFID-based system, a version of I.D. Systems' patented Wireless Asset Net(R) technology, will be deployed on a fleet of industrial trucks at a major U.S. shipyard that builds and services both U.S. naval vessels commercial ships.

The Wireless Asset Net improves productivity in manufacturing and distribution environments by establishing accountability for use of equipment, ensuring equipment is in the proper place at the right time, streamlining work flow through automated messaging, and providing management with unique metrics on -- and controls over -- equipment utilization. The system also improves workplace safety and security by restricting vehicle access to trained, authorized operators and providing electronic vehicle inspection checklists. In addition, the system reduces maintenance expenses by automatically uploading vehicle data, reporting problems identified on checklists in real time, scheduling maintenance according to actual vehicle usage rather than on a calendar basis, and helping management determine the optimal economic time to replace equipment.

The second order is for an RFID-based access control and time-and- attendance system at three shipyards on the Gulf Coast. This system is expected to increase the efficiency of shipyard gate management, while improving accuracy and reducing costs of personnel time-in/time-out record keeping. I.D. Systems is implementing the project in partnership with RFID Global Solution, Inc., which designs and deploys a wide range of RFID solutions.

"We are very pleased to expand business in the defense sector, as well as establish a new cooperative relationship with RFID Global Solution," said Rick Muntz, I.D. Systems' executive vice president of sales, marketing and customer satisfaction. "We look forward to playing an important role in improving efficiency, balancing the work force, reducing operating costs, and increasing the security of these shipyards' operations."

About I.D. Systems

I.D. Systems, Inc. is a leading provider of wireless solutions for securing, tracking and managing high-value enterprise assets. These assets include industrial vehicles, such as forklifts and airport ground support equipment, and the people who operate them. The company's patented Wireless Asset Net system, which utilizes radio frequency identification, or RFID, technology, addresses the needs of organizations to control track, monitor and analyze their assets. For more information about I.D. Systems, visit www.id-systems.com .

About RFID Global Solution

RFID Global Solution, Inc. is an RFID systems integrator specializing in both active and passive RFID applications for government and commercial customers. The company develops wireless asset and personnel management solutions that provide real-time visibility at both the site and enterprise level. The company's innovative products include the patented RFID SmartTable, SmartCart, and Global Freezer Insert. For more information about RFID Global Solution, visit www.rfidgs.com.

"Safe Harbor" statement under the Private Securities Litigation Reform Act of 1995:

This press release contains forward looking statements that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and that are subject to risk and uncertainties, including, but not limited to, future economic and business conditions, the loss of any of the Company's key customers or reduction in the purchase of its products by any such customers, the failure of the market for the Company's products to continue to develop, the inability to protect the Company's intellectual property, the inability to manage the Company's growth, the effects of competition from a wide variety of local, regional, national and other providers of wireless solutions and other risks detailed from time to time in the Company's filings with the Securities and Exchange Commission, including the Company's annual report on Form 10-K for the year ended December 31, 2005. These risks could cause actual results to differ materially from those expressed in any forward looking statements made by, or on behalf of, the Company. The Company assumes no obligation to update the information contained in this press release.

SOURCE I.D. Systems, Inc.