



FOR IMMEDIATE RELEASE

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U.S. Postal Service Awards Contract to I.D. Systems, Inc. For Wireless Fleet Management System

Hackensack, NJ, June 9, 2003 —

I.D. Systems, Inc. (NASDAQ: IDSY), a leading provider of wireless asset management solutions, announced today that the U.S. Postal Service (USPS) has ordered the company's Wireless Asset Net™ fleet tracking and management system for a fleet of industrial vehicles at the USPS Buffalo, New York, Processing and Distribution Center (P&DC). This is the eighth USPS facility to acquire the Wireless Asset Net system. The order for the Buffalo P&DC is valued at approximately \$250,000, and system deployment is expected to occur this year.

"We are extremely pleased to continue to build on our long relationship with the USPS," said Jeffrey Jagid, I.D. Systems chairman and chief executive officer. We look forward to expanding our solutions for the USPS, both in terms of the technical functionality our system provides and the number of facilities in which our system is deployed."

The Wireless Asset Net is designed to improve workplace safety and security by restricting industrial vehicle access to trained, authorized operators (as required by OSHA) and by providing electronic safety inspection checklists. The system is designed to reduce maintenance expenses by automatically uploading vehicle data, reporting vehicle problems identified by operators in real time, 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 system is also designed to help improve productivity by controlling access to ensure equipment is in the proper place at the right time and by providing management with reports on vehicle utilization.

About U.S. Postal Service Engineering

The Engineering department of the USPS supports every component of every machine used to collect, process, or distribute the nearly 183 billion pieces of mail received annually. Headquartered in Merrifield, Virginia, the department ensures the safety and reliability of thousands of products — from delivery vehicles and sorting equipment to mail satchels and mailboxes — used in 30,000 post offices, processing plants, and bulk mail centers throughout the country.

About I.D. Systems

Based in Hackensack, New Jersey, I.D. Systems, Inc. is a leading provider of wireless solutions for corporate asset management. I.D. Systems' customers include Archer Daniels Midland, DaimlerChrysler, Deere & Co., Ford Motor Company, Hallmark Cards, Price Chopper Stores, Target Corporation, Walgreens, the U.S. Department of Homeland Security, the U.S. Navy, and the U.S. Postal Service, among others. Using local area networks, wide area networks, and the Internet, the company's systems



enable management to control and track the location and status of their assets — from letters and containers to forklifts and railcars — in real time. For more information, visit www.id-systems.com.

“Safe Harbor” statement under the Private Securities Litigation Reform Act of 1995: This press release contains forward looking statements that are subject to risk and uncertainties, including, but not limited to, the impact of competitive products, product demand and market acceptance risks, fluctuations in operating results and other risks detailed from time to time in I.D. Systems’ filings with the Securities and Exchange Commission. These risks could cause I.D. Systems’ actual results for the current fiscal year and beyond to differ materially from those expressed in any forward looking statements made by, or behalf of, I.D. Systems.

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