



FOR IMMEDIATE RELEASE

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I.D. Systems, Inc. Expands Program with Target Corporation

Hackensack, NJ, February 23, 2004 —

I.D. Systems, Inc. (NASDAQ: IDSY), a leader in wireless asset tracking and management solutions, today announced that it has entered into a contract with Target Corporation (NYSE: TGT) to roll out I.D. Systems' Wireless Asset Net™ fleet management system on approximately 400 material handling vehicles in Target distribution facilities throughout the United States. The agreement is expected to positively impact I.D. Systems' financial results beginning in the second quarter of 2004. Specific terms of the roll out program were not divulged.

"We are gratified that Target has selected I.D. Systems to provide wireless solutions for material handling fleet management," said Rick Muntz, I.D. Systems' executive vice president of sales, marketing, and customer satisfaction. "Based on our successful pilot program with Target we believe our Wireless Asset Net technology will be a valuable asset to this leading national retailer. We look forward to meeting Target's current fleet management needs and building on our relationship in the future."

About The Wireless Asset Net

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 providing electronic safety inspection checklists. The system is designed to reduce maintenance expenses by automatically reporting vehicle issues in real time, scheduling maintenance according to actual usage rather than on a calendar basis, and helping management determine the optimal economic time to replace equipment. The system is also designed to 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 Hackensack, New Jersey, I.D. Systems, Inc. is a leading provider of wireless solutions for corporate asset management. I.D. Systems' customers include 3M Company, Archer Daniels Midland, Daimler Chrysler, Deere & Co., the Federal Aviation Administration, Ford Motor Company, Hallmark Cards, Target Corporation, Walgreen Co., 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 forklifts, tugs and cranes to automobiles and trucks — in real time. For more information on I.D. Systems, Inc., 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.