



FOR IMMEDIATE RELEASE

CONTACTS: For Financial Press

Ned Mavrommatis
Chief Financial Officer
ned@id-systems.com
General Phone: 201-996-9000.

For Trade Press

Greg Smith
Director of Marketing
gsmith@id-systems.com
General Fax: 201-996-9144

I.D. Systems Introduces New Software Enhancements for Wireless Vehicle Security & Fleet Management

Hackensack, NJ, September 9, 2004 —

I.D. Systems, Inc. (NASDAQ: IDSY) today announced the introduction of a series of new software enhancements for its industry-leading Wireless Asset Net™ system for tracking, securing, and managing fleets of vehicles and other equipment. I.D. Systems provides its wireless asset tracking and management solutions to Fortune 500 industrial manufacturers, consumer products companies, retailers, car rental companies, defense contractors, and government agencies.

Major new software developments include:

- New server software options to provide robust service in any enterprise-wide environment
- Enhanced support for database standards, including automated database-to-database feeds
- Improved intra-system communications to overcome slow or intermittent local area networks
- Increased data throughput via multi-processor/multi-threaded server implementation
- Enhanced reporting tools with more options for organizing, viewing, and analyzing data
- Improved capabilities for automatically emailing system data
- Expanded remote system administration and diagnostic capabilities

In addition, I.D. Systems is currently beta-testing a web-based version of its client software (the Wireless Asset Net Console) at customer sites.

“Based on positive feedback from our customers, who interface daily with our software to manage fleets of powered equipment, we have implemented a wide range of software enhancements to make our system even more capable and easier to use,” said Michael Ehrman, I.D. Systems’ executive vice president of engineering. “We pride ourselves on our continued technical leadership and innovation in delivering effective wireless vehicle management solutions, and we look forward to providing these new software tools, which we think will help our customers achieve an even greater level of value with our technology.”

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 uploading vehicle data, reporting vehicle 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 system is also designed to help 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, American Axle, Archer Daniels Midland, Daimler Chrysler, Deere & Co., Ford Motor Company, General Dynamics, Hallmark Cards, Northrop Grumman, Target Corp., Walgreen Co., the U.S. Navy, the U.S. Postal Service, and the U.S. Transportation Security Administration, 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.

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