



FOR IMMEDIATE RELEASE

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I.D. Systems Wins Maintenance Contract, New Orders from Target for Wireless Industrial Fleet Management System

Hackensack, NJ, August 15, 2005 —

I.D. Systems, Inc. (NASDAQ: IDSY), a leader in wireless asset tracking and management solutions, today announced that it has been awarded a maintenance contract by Target Corporation (NYSE: TGT) to support I.D. Systems' Wireless Asset Net™ fleet management system. The system is currently deployed on approximately 400 material handling vehicles in Target distribution facilities throughout the United States. The one-year contract, renewable annually, commenced on August 1, 2005.

I.D. Systems also received new orders from Target for the Wireless Asset Net to be deployed on material handling equipment at several new distribution facilities being opened by the Fortune 100 retailer.

“We are pleased that Target has joined the growing number of I.D. Systems' customers to expand their use of our technology and contract our full maintenance and support services,” said Rick Muntz, I.D. Systems' executive vice president of sales, marketing, and customer satisfaction. “Our technical expertise, help desk, software update program, and ongoing hardware warranty program all contribute to our customers' positive experience with us and enhance the significant safety, productivity, and cost-saving benefits of our Wireless Asset Net system.”

About The Wireless Asset Net

I.D. Systems' patented Wireless Asset Net system consists of vehicle-mounted wireless computers, an RFID-based wireless communication infrastructure, and client-server software for access control, utilization analysis, real-time location tracking, and many other functions. The system is designed to improve safety by restricting vehicle access to trained and authorized operators (as required by OSHA) and providing electronic safety inspection checklists. The system is designed to reduce maintenance costs 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 Wireless Asst Net also incorporates many tools designed to increase the utilization of equipment and the productivity of equipment operators.

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, DaimlerChrysler, Deere & Co., Ford Motor Company, General Dynamics, Hallmark Cards, Northrop Grumman, Target Corporation, 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 and cranes to automobiles and trucks — in real time. For more information on I.D. Systems, Inc., visit www.id-systems.com.

Trademarks

I.D. Systems, Inc. and Wireless Asset Net are registered or pending trademarks of I.D. Systems, Inc.

“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, 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 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.

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