

FOR IMMEDIATE RELEASE

CONTACTS:

For Financial Press

Ned Mavrommatis, CFO

ned@id-systems.com

General Phone: 201-996-9000.

For Trade Press

Greg Smith, VP Marketing

gsmith@id-systems.com

General Fax: 201-996-9144

**I.D. Systems Enters Contract with NACCO Materials Handling Group, Inc. to
Market Wireless Fleet Management Products and Services
Through Yale Materials Handling Corporation**

Hackensack, NJ, April 11, 2006 –

I.D. Systems, Inc. (NASDAQ: IDSY) and NACCO Materials Handling Group, Inc. (NMHG), today announced that they have finalized an agreement under which I.D. Systems' wireless fleet management products and services will be distributed and supported through the marketing organization of Yale Materials Handling Corporation, a unit of NMHG. Yale manufactures and markets a full line of material handling lift trucks and related services, including comprehensive fleet management services, maintenance, financing and training. Yale's global sales and service organization includes more than 220 authorized dealer locations in the Americas, 85 in Europe, and 30 in the Asia-Pacific region.

"It is most gratifying to consummate this strategic alliance with NMHG; it will expose our unique wireless solutions to a new, significantly larger audience of potential customers, through Yale's world-class fleet management and dealer organizations," said Rick Muntz, I.D. Systems' executive vice president of sales, marketing and customer satisfaction. "Yale, its dealers and its customers will enjoy access to leading-edge vehicle control and tracking capabilities, while I.D. Systems will have the opportunity to deliver its products and services to a broad range of large and mid-sized end-users. We also look forward to leveraging Yale's extensive service and support capabilities to help install and maintain our systems as we grow our customer base."

"Yale has a strategic focus on providing superior fleet management to its customers," said Bruce Pelynio, Yale Materials Handling Corporation's Director of Parts Sales. "The flexible functionality of I.D. Systems' wireless vehicle tracking and control technology gives Yale a unique opportunity to tailor fleet management solutions to fit diverse customer needs and – using the system's delivery of timely, accurate vehicle data – to improve fleet maintenance efficiencies."

Based in Hackensack, NJ, I.D. Systems, Inc. is a leading provider of wireless solutions for managing and securing high-value enterprise assets. These assets include industrial vehicles, such as forklifts and airport ground support equipment, and rental vehicles. 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, visit Yale at www.yale.com and I.D. Systems at 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 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 registration statement on Form S-3 (File No. 333-131489). 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.