



FOR IMMEDIATE RELEASE

CONTACTS:

For Financial Press

Ned Mavrommatis
Chief Financial Officer
ned@id-systems.com

For Trade Press

Greg Smith
Vice President Marketing
gsmith@id-systems.com

General Phone: 201-996-9000. General Fax: 201-996-9144

I.D. Systems Receives Additional Orders from U.S. Postal Service For Wireless Vehicle Management Systems

Hackensack, NJ, July 5, 2006 — I.D. Systems, Inc. (NASDAQ: IDSY) today announced that it has received orders from the United States Postal Service (USPS) to deploy the company's Wireless Asset Net™ powered industrial vehicle management system at 12 additional USPS facilities. These orders increase the number of USPS facilities deploying the Wireless Asset Net to 56. Under the terms of the USPS' three-year national contract with I.D. Systems, up to 460 USPS facilities can order the Wireless Asset Net system.

“We continue to work very closely with the Postal Service to further expand their deployment of our wireless systems and help them generate substantial economic benefits through improved control over and analysis of their powered industrial vehicle operations,” said Rick Muntz, I.D. Systems' executive vice president of sales, marketing and customer satisfaction. “We are proud of the mutual commitment we share with the USPS toward achieving these goals.”

The Wireless Asset Net consists of intelligent wireless devices (Vehicle Asset Communicators®) installed on powered industrial vehicles (such as fork trucks and pallet movers), a patented 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 industrial workplace safety and security by restricting vehicle access to trained, authorized operators and by providing electronic safety inspection checklists. The system is designed to reduce maintenance expenses by automatically uploading vehicle data, reporting vehicle problems in real time, giving management the option of 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 ensuring equipment is in the proper place at the right time and by providing management with unique reports on vehicle utilization.

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 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 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 annual report on Form 10-K for the year ended December 31, 2005. 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.

#