



FOR IMMEDIATE RELEASE

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

Hackensack, NJ, October 3, 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 nine additional USPS facilities. The orders are cumulatively valued at approximately \$2.6 million. Fulfillment of these orders will increase the number of USPS facilities deploying the Wireless Asset Net to 65.

"We continue to expand deployment of our wireless systems for the Postal Service at a brisk pace, under the national contract we were awarded in 2005," said Rick Muntz, I.D. Systems' executive vice president of sales, marketing and customer satisfaction. "This ongoing system roll-out is commensurate with the Postal Service's continuing emphasis on generating economic benefit through better control over and analysis of their powered industrial vehicle operations. We are proud to count the USPS as a key customer that capitalizes effectively on the broad spectrum of our asset management hardware, software, implementation services, and support services."

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.

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