



FOR IMMEDIATE RELEASE

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I.D. Systems, Inc. Announces Filing of Registration Statement For Sale of Common Stock

Hackensack, NJ, February 2, 2006 –

I.D. Systems, Inc. (NASDAQ: IDSY) today announced the filing of a registration statement with the Securities and Exchange Commission pertaining to a proposed underwritten public offering of 2,500,000 shares of its common stock. In connection with the offering, I.D. Systems will grant the underwriters an option to purchase up to an additional 375,000 shares of its common stock to cover over-allotments, if any.

Morgan Keegan & Company, Inc. is acting as sole book-running manager of the offering and Jefferies & Company, Inc. and SG Cowen & Co., LLC are acting as co-lead managers of the offering. This offering of common stock will be made only by means of a prospectus. When available, a written prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended, may be obtained from Morgan Keegan & Company, Inc., 50 N. Front St., Memphis, TN 38103, (800) 366-7426.

A registration statement relating to these securities has been filed with the Securities and Exchange Commission but has not yet become effective. These securities may not be sold, nor may offers to buy be accepted, prior to the time the registration statement becomes effective. This press release shall not constitute an offer to sell or a solicitation of an offer to buy, nor will there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

About I.D. Systems

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 registration statement on Form S-3. 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.