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I.D. Systems Launches Advantage™ Customer Benefit & Support Program

Hackensack, NJ, September 4, 2007—I.D. Systems, Inc. (NASDAQ: IDSY), a leading provider of wireless asset tracking and management solutions, today announced a new customer support program, called Advantage™ Support Services. The purpose of the Advantage™ program is to help customers target and quantify specific benefits to be realized by deploying I.D. Systems' Wireless Asset Net® industrial vehicle management system, and to ensure those benefits are achieved and sustained following system deployment.

The Wireless Asset Net® system improves productivity in manufacturing and distribution environments by establishing accountability for use of industrial vehicles, ensuring equipment is in the proper place at the right time, streamlining work flow, and providing unique visibility and control of asset utilization. The system also improves workplace safety and security in a variety of ways—for example, by restricting vehicle access only to trained, authorized operators. In addition, the system reduces capital and operating costs by reporting equipment problems in real time, scheduling maintenance events more accurately and efficiently, establishing accountability for vehicle damage, and helping determine the optimal time to replace equipment.

Under the Advantage™ program, I.D. Systems' Performance Services Team combines analyses of customer operations and Wireless Asset Net® data to verify or challenge existing industrial engineering standards, uncover opportunities to reduce operational costs and increase productivity, and make customers more profitable and competitive. In addition, the Advantage™ program features multiple layers of value-added customer support services, including:

- onsite assistance to help customers tightly integrate the Wireless Asset Net® into daily operations;
- regular refresher training for all system users;
- frequent system health verification reports;
- regular field service audits to ensure system optimization;
- unlimited software upgrades, including all I.D. Systems labor associated with upgrading;
- unlimited software updates and bug-fixes between major upgrade releases;
- expedited hardware return processing; and
- extended technical help desk hours.

I.D. Systems' Performance Services Team is led by Roger Tenney, a 16-year veteran of Ford Motor Company, where he was responsible for managing Ford's corporate fleet of material handling equipment and implementing the Wireless Asset Net® system across Ford's North American operations.

"We realized a significant return on investment at Ford by using I.D. Systems' wireless technology to control and manage virtually every aspect of industrial truck operations," said Mr. Tenney. "It is exciting and very gratifying to drive the same kind of economic benefits for other I.D. Systems customers—and for potential future customers who are evaluating how the Wireless Asset Net® can improve their management of material handling and industrial vehicle operations."

"Our Performance Services Team helps both prospective and established customers focus on actionable information that will produce the most rapid return on investment," said Peter Fausel, I.D. Systems' executive vice president of sales, marketing and customer service. "The more we can help our customers

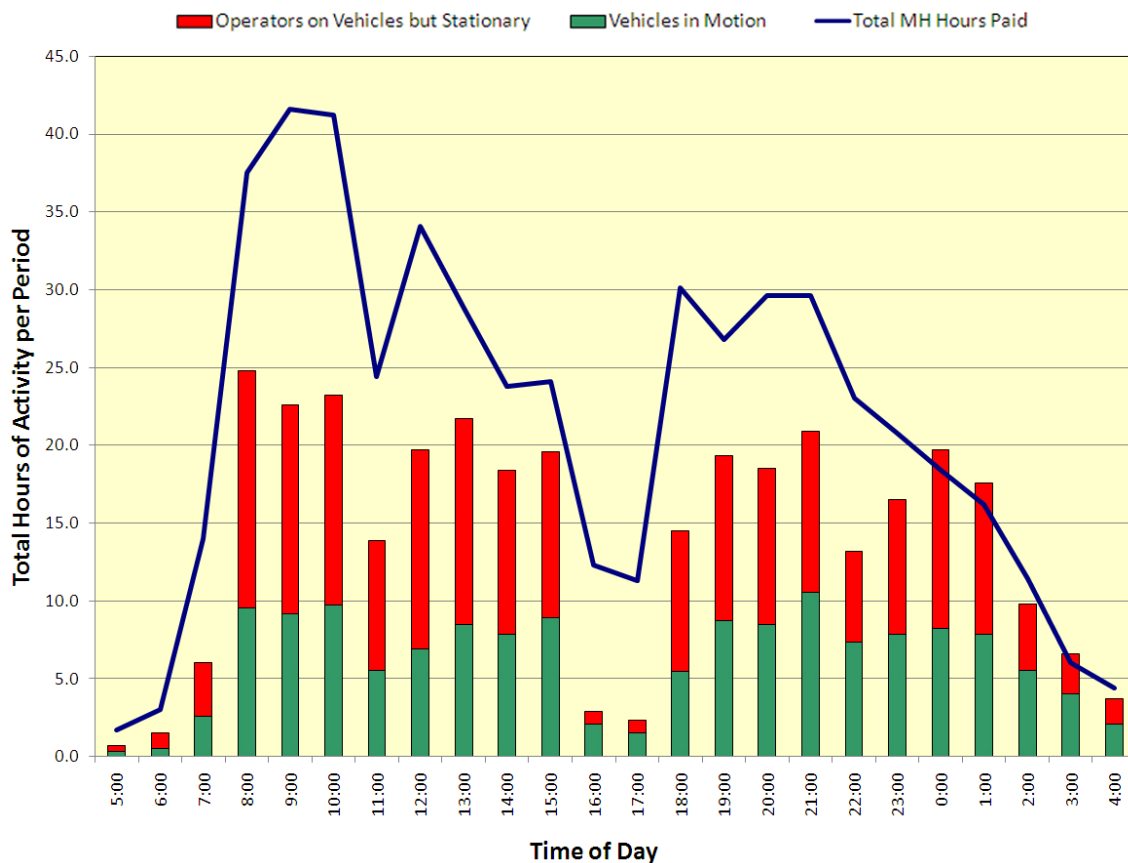
understand and apply the rich and unique streams of data generated by our patented Wireless Asset Net® system, the faster those customers can deploy the system across their enterprises.”

“Thus far,” added Fausel, “our Advantage™ program has been very well received in the market. We have already won several contracts to provide Advantage™ services for current customers.”

Among the I.D. Systems customers that have already benefitted from the Advantage™ program is an enterprise with a busy two-shift distribution operation. An initial I.D. Systems Advantage™ analysis for this customer revealed significant opportunities to reduce labor costs and increase productivity. One of the many charts generated by that analysis, below, indicates that:

- for approximately one-third of the hours being paid out for equipment operation, nobody was actually operating the equipment;
- there was a particularly large discrepancy between hours paid and hours worked at the beginning of each shift—suggesting a significant lag from the time workers stamped their time cards to the time they actually began operating their equipment; and
- a majority of the time that workers were logged into equipment, that equipment was not moving.

Operator Vehicle Usage vs. MH Hours Paid



By providing extensive Advantage™ analyses like this, I.D. Systems enabled this customer to focus its attention on its part-time equipment operators and their supervisors, establish a new set of benchmarks for operator activity, and provide management with the measurement tools to proactively track and correct unproductive behaviors.

Note to Editors

High-resolution images to accompany this announcement for publication are available upon request.

About I.D. Systems

I.D. Systems is a leading provider of wireless solutions for securing, tracking and managing high-value enterprise assets. These assets include industrial vehicles, such as forklifts and airport ground support equipment, and the people who operate them. 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 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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