



FOR IMMEDIATE RELEASE

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U.S. Postal Service Extends Contract with I.D. Systems to Continue Deploying Wireless Industrial Vehicle Management Technology

Hackensack, NJ, March 13, 2008—I.D. Systems, Inc. (NASDAQ: IDSY), a leading provider of wireless asset management solutions, today announced that it has been awarded a contract extension by the United States Postal Service (USPS) to continue deploying its Wireless Asset Net® industrial vehicle management system in postal distribution facilities nationwide. The system was installed in 80 USPS facilities during the initial three-year contract period, which is set to expire at the end of the first quarter of 2008. The contract extension is a fixed-price, indefinite-quantity instrument, which does not define exact quantities, times, or places of product deliveries, but which streamlines USPS' ordering process with I.D. Systems. The contract now extends through December 31, 2010.

“This contract extension reflects the significant economic benefits our wireless technology has generated—and continues to generate—for the U.S. Postal Service,” said Jeffrey Jagid, I.D. Systems' chairman and chief executive officer. “We look forward to helping the Postal Service further achieve greater efficiencies, lower costs, and a safer work environment, as it continues to roll out our technology throughout its U.S. distribution operations.”

The Wireless Asset Net consists of intelligent wireless devices (Vehicle Asset Communicators®) installed on powered industrial vehicles (such as forklifts and pallet movers), a patented wireless communication architecture, and client-server software for access control, utilization analysis, real-time location tracking, and many other functions. The system improves industrial workplace safety and security by restricting vehicle access to trained, authorized operators and by providing electronic safety inspection checklists. The system reduces 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 also helps 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, 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, 2006. 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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