



FOR IMMEDIATE RELEASE

CONTACTS: **For Financial Press** **For Trade Press**
Ned Mavrommatis Greg Smith
Chief Financial Officer Director of Marketing
ned@id-systems.com gsmith@id-systems.com
General Phone: 201-996-9000. General Fax: 201-996-9144

I.D. Systems, Inc. Awarded Multi-Year Federal GSA Contract for Wireless Asset Tracking & Management Technology

Hackensack, NJ, March 22, 2005 —

I.D. Systems, Inc. (IDS) announced today that the federal government's General Services Administration (GSA) has issued a Federal Supply Service (FSS) Information Technology (IT) contract covering all hardware, software and services related to the company's patented wireless asset tracking and management system. Effective March 15, 2005, this multiple award schedule contract has an initial term of five years, with up to three additional five-year option periods, for a total maximum contract duration of 20 years.

Under terms of the contract, number GS-35F-0425R, I.D. Systems will provide competitive terms of sale and pre-negotiated prices to save the U.S. Government time, money and resources. As a result, any Government entity can order a combination of I.D. Systems' hardware, software and services worth up to \$2.5 million – without seeking further competitive bids. Under a GSA FSS IT contract, authorized buyers include military and federal civilian agencies, mixed-ownership corporations, the District of Columbia, certain state and local governments, and select international organizations. Product and ordering information will be available shortly at the GSA's Advantage! on-line shopping service at www.gsaadvantage.gov. Prospective buyers may also contact I.D. Systems directly by phone (201-996-9000) or fax (201-996-9144).

“For the first time, the full scope of I.D. Systems' technology and product offerings, including state-of-the-art RFID-based vehicle management systems, are available to the government under a single, all-encompassing contract,” said Greg Smith, I.D. Systems' vice president of marketing. “This GSA contract will provide government agencies with ready access to our proven wireless solutions for managing vehicles and other powered assets, and enable those agencies to achieve the same improvements in safety, productivity and cost containment that our many commercial customers enjoy.”

About The Technology

I.D. Systems' Wireless Asset Net™ consists of intelligent wireless devices installed on vehicles and other powered assets, a patented radio frequency (RF) communication infrastructure, and client-server software for access control, utilization analysis, real-time location tracking, and many other functions. The Wireless Asset Net is designed to improve industrial workplace safety and security by restricting equipment access to trained, authorized operators and by providing electronic safety inspection checklists. The system is designed to reduce maintenance expenses by automatically uploading equipment data, reporting equipment problems in real time, scheduling maintenance according to actual equipment usage rather than on a calendar basis, and helping facility 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 equipment utilization.

About I.D. Systems

Based in Hackensack, New Jersey, I.D. Systems, Inc. is a leading provider of wireless solutions for corporate asset management. I.D. Systems' customers include 3M Company, American Axle, Archer Daniels Midland, DaimlerChrysler, Deere & Co., Ford Motor Company, General Dynamics, Hallmark Cards, Northrop Grumman, Target Corporation, Walgreen Co., the U.S. Navy, the U.S. Postal Service, and the U.S. Transportation Security Administration, among others. Using local area networks, wide area networks, and the Internet, the company's systems enable management to control and track the location and status of their assets — from forklifts and cranes to automobiles and trucks — in real time. 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, the impact of competitive products, product demand and market acceptance risks, fluctuations in operating results and other risks detailed from time to time in I.D. Systems' filings with the Securities and Exchange Commission. These risks could cause I.D. Systems' actual results to differ materially from those expressed in any forward looking statements made by, or on behalf of, I.D. Systems. I.D. Systems assumes no obligation to update the information contained in this press release.

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