



FOR IMMEDIATE RELEASE

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I.D. Systems to Provide Wireless Vehicle Management Technology to Rite Aid

Hackensack, NJ, December 12, 2005 —

I.D. Systems, Inc. (NASDAQ: IDSY), a leading provider of RFID-based wireless asset tracking and management solutions, today announced that it has entered into a pilot program agreement with Rite Aid Corporation (NYSE: RAD) to evaluate I.D. Systems' Wireless Asset Net™ industrial vehicle management system at a Rite Aid distribution center in Maryland.

“We are very pleased to add another major U.S. retailer to our customer base, and to expand our presence specifically in the retail pharmacy segment,” said Rick Muntz, I.D. Systems' executive vice president of sales, marketing, and customer satisfaction. “The pharmaceutical industry is one of the leaders in exploring RFID applications, and we see our wireless vehicle management capabilities fitting extremely well within the industry's long-range strategic vision for RFID.”

About The Wireless Asset Net™

The Wireless Asset Net consists of intelligent wireless devices 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, 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.

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 to complex fixed machinery — in real time. For more information on I.D. Systems, Inc., visit www.id-systems.com.

Trademarks

I.D. Systems, Inc. and Wireless Asset Net are registered or pending trademarks of I.D. Systems, Inc.

“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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