



FOR IMMEDIATE RELEASE

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I.D. Systems Receives Order for Deployment of New PosiCharge™ Wireless Battery Management System

Hackensack, NJ, January 6, 2005 —

I.D. Systems, Inc. (NASDAQ: IDSY), a leader in wireless asset management, today announced that it has received a purchase order from AeroVironment, Inc. for 500 wireless systems to track utilization and performance data on industrial vehicle batteries fast-charged with AeroVironment's PosiCharge™ advanced battery charging system.

AeroVironment will deploy the new PosiCharge wireless battery monitoring systems at facilities of a leading automotive manufacturer, which partially funded development of the system.

“We are very pleased that this product line extension, announced last month, has developed rapidly into a commercial-scale order for immediate implementation,” said Pat Dellario, vice president and general manager of PosiCharge. “This system integrates the battery data gathering and analysis capabilities of PosiCharge with the wireless fleet management platform of I.D. Systems, and delivers a new generation of comprehensive, turnkey asset management software. The solution is expected to generate significant cost savings and productivity improvements for the customer.”

“We are very excited about the PosiCharge program,” said Rick Muntz, I.D. Systems' executive vice president of sales, marketing, and customer satisfaction. “It represents a new application of our patented wireless asset management technology and a new opportunity to expand and diversify our revenue stream from existing customers. We look forward to continue working closely with PosiCharge on this and other new business opportunities in the future.”

About PosiCharge

Monrovia, California-based PosiCharge™ is the leading provider of fast charge systems, allowing users to eliminate the battery room and its associated challenges – including run time issues, reduced battery capacity, infrastructure cost, lost productivity, worker injury, and excess battery inventories. PosiCharge™ fast charges each battery in the vehicle during short breaks, lunches, and shift changes, resulting in instant productivity improvements. With a proprietary system that gathers battery data, analyzes energy usage, and protects batteries using custom charge algorithms, PosiCharge™ protects and optimizes material handling assets. For years, PosiCharge™ has been keeping fleets running in some of the hardest-working Fortune and Global 500 plants and distribution centers in the country. PosiCharge™ is an AeroVironment, Inc. business. For more information on PosiCharge™, visit www.posicharge.com.

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, Daimler Chrysler, 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 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.

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