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## **NEWS RELEASE**

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### **FOR IMMEDIATE RELEASE**

## **Image Sensing Systems, Inc. Acquires Majority Share Ownership of Flow Traffic Ltd. of Hong Kong**

**Saint Paul, Minn., April 22, 1999--** Image Sensing Systems, Inc. (ISS) (Nasdaq SmallCap: ISNS) announced today that the Company has acquired majority ownership of the Hong Kong based company Flow Traffic, Ltd. Flow Traffic is a distributor of traffic control products manufactured by international traffic companies and has considerable experience working within the Asian markets. Johan Billow, former owner and general manager, retains a substantial equity stake in the company. He will remain in operational control of the company as general manager and will have management responsibility for business development in Asia including the technologies developed by ISS and those offered by other companies where distribution agreements exist or will be added. Billow will work directly with ISS's managing director of Asian operations, Anthony Gould.

Bill Russell, ISS president and chief executive officer, commented, "We have entered into this opportunity in order to localize our presence in this major growth environment where infrastructure spending for traffic control systems continues at a healthy rate despite the economic slow down in some Asian areas. We believe that the proven capabilities of the staff at Flow Traffic, combined with the resources of ISS, will lead to significant growth for both companies."

Johan Billow commented, "Flow Traffic's objective is to secure a major share of the rapidly growing Asian market for transport technologies by providing local support for a range of appropriate traffic management products and systems from the world's leading suppliers. Our relationship with Image Sensing Systems now provides us with a core technology in vehicle detection that is most suited to the market requirements in Asia".

Image Sensing Systems' Autoscope® wide area video vehicle detection system collects a broad range of traffic data including volume, speed, roadway occupancy, headways, ramp queue lengths and vehicle classification. ISS has more than 2,800 Autoscope systems installed in 30 countries around the world, including a large number of U.S. sites.

Based in Saint Paul, Minnesota, Image Sensing Systems, Inc. is the world leader in products applying video imaging technology for implementation in advanced traffic management systems (ATMS), freeway incident detection and traffic data collection to help reduce traffic congestion and improve roadway planning. The company's cornerstone Autoscope products provide traffic managers with the means to reduce roadway congestion, improve roadway planning and increase cost efficiencies. The company is particularly suited to provide technical solutions to the emerging ITS markets worldwide.

**Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995:** *This report contains "forward-looking statements" made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. There are certain factors that could cause results to differ materially from those anticipated by some of the statements made, as listed in the Management's Discussion and Analysis section of the Company's 1996 Annual Report to Shareholders.*

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