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NEWS RELEASE

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FOR IMMEDIATE RELEASE

Flow Traffic, the Asia Subsidiary of Image Sensing Systems, Inc., to Provide Traffic Control for Major Chinese Tunnel

Saint Paul, Minn., December 7, 1999-- Image Sensing Systems, Inc. (ISS) (Nasdaq SmallCap: ISNS) announced today that its Asia subsidiary, Flow Traffic Limited, has won an order for the supply of a traffic control system for the 2 km long Shichangling tunnel, part of National Expressway 107 running from Beijing to Guangzhou.

The traffic control equipment to be supplied in the first quarter of next year will provide collection of traffic data for monitoring purposes as well as control of various electronic equipment in the tunnel such as lane use signals and changeable speed limit signs.

Johan Billow, General Manager of Flow Traffic Limited, commented: "There are many opportunities for us to supply equipment for tunnel management in China. A large number of tunnels are being built as a result of the ambitious program for improving the road infrastructure which is currently being implemented by the Chinese government. We are confident of a significant increase in sales to China over the next year."

Flow Traffic Limited, a distributor of traffic control products manufactured by international traffic companies, was acquired by ISS in April 1999 to provide a base for further developing the business of ISS 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 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 market 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 Company's 1998 Annual Form 10-KSB.*

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