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NEWS RELEASE

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FOR IMMEDIATE RELEASE

Image Sensing Systems, Inc. Wins a Second Order for the Supply of Autoscope Technology to Hong Kong

Saint Paul, Minn., December 16, 1999-- Image Sensing Systems, Inc. (ISS) (Nasdaq SmallCap: ISNS) announced today that a new order for the supply of Autoscope wide area video vehicle detection system has been received from Hong Kong Transport Department. The Autoscope system, to be supplied by the end of the year, will be connected to traffic surveillance cameras in the Cheung Tsing tunnel in order to provide Automatic Incident Detection.

The Cheung Tsing tunnel is part of Hong Kong's Airport Core Programme, and is a vital link in the modern expressway that leads to the new Hong Kong International Airport, which was opened last year.

Johan Billow, General Manager of ISS' subsidiary Flow Traffic Limited, commented, "Following the award of a contract to supply Autoscope to Hong Kong Airport Tunnel earlier this year, we have been promoting video image detection solutions to Hong Kong Transport Department for other traffic projects. This Cheung Tsing tunnel contract has rewarded us in a very positive way. Hong Kong has stringent requirements on performance and functionality and it is encouraging that Autoscope has yet again been considered the preferred technology."

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.