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FOR IMMEDIATE RELEASE

Image Sensing Systems, Inc. Awarded Autoscope® Supply Contract to Taiwan

Saint Paul, Minn. — June 5, 2000 — Image Sensing Systems, Inc. (ISS) (Nasdaq SmallCap: ISNS) announced today that a contract has been awarded to its Asia-based subsidiary, Flow Traffic Limited, for the supply of Autoscope-2004 wide area video vehicle detection systems and image sensors to Taiwan. The Autoscope® systems supplied under this contract will collect traffic data from more than 50 traffic cameras/image sensors.

Autoscope is being used in several Taiwanese projects, primarily for traffic data collection. These include the Sun Yat-Sen Freeway, the 2nd Freeway Fu-The Tunnel and Route 61 Hsin-Chu section. Autoscope is used for fully-actuated traffic control along Route 61 and the Pu-Li extension of Route 63.

Johan Billow, General Manager of Flow Traffic Limited, said today, "Our distribution channel in Taiwan has proved to be very efficient and our Taiwanese partner is working on significant opportunities for future sales of Autoscope into the Taiwan market. Together with recent successes in Hong Kong and mainland China, Autoscope sales this year will show a significant improvement compared to 1999."

Flow Traffic Limited is a supplier of a broad range of traffic management products and systems in Asia. The company, which has offices in Hong Kong, China and Thailand, was acquired by ISS in April 1999.

Based in Saint Paul, Minnesota, Image Sensing Systems, Inc., the developer and marketer of Autoscope, is the world leader in products applying video imaging technology for implementation in advanced traffic management systems (ATMS). Autoscope functionality includes intersection detection, automated freeway incident detection and traffic data collection to help reduce traffic congestion, fuel consumption, air pollution, travel time, enhance motorist safety and improve roadway planning. ISS has more than 3,000 Autoscope systems, processing images from more than 10,000 traffic detection cameras installed in more than 30 countries around the world, including a large number of U.S. cities. 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 1999 Annual Form 10-KSB.

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