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NEWS RELEASE

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FOR IMMEDIATE RELEASE

Flow Traffic Awarded Contract for Hong Kong Journey Time Information System

Saint Paul, Minn., January 22, 2003-Image Sensing Systems, Inc. (ISS) (NASDAQ Small Cap: ISNS) announced today that its wholly owned Asian subsidiary, Flow Traffic Ltd., has been awarded a contract to supply Autoscope Solo[®] Pro vehicle detection systems for a new Journey Time Information System to be implemented on Hong Kong Island. In its first stage, 20 vehicle detection systems have been supplied and installation will take place during the first quarter of 2003. Extensions to this project are likely to follow. The project will cover the three cross-harbour tunnels between Hong Kong Island and the Kowloon peninsula as well as approaching highways on the island side. The Autoscope Solo Pro will be used to collect various traffic data, including average traffic speed, in order to calculate the journey time. This will be displayed to the Hong Kong drivers via Variable Message Signs. Other cities around the world already using Autoscope technology for this particular application include Atlanta, Georgia in the United States and Seoul in Korea.

Johan Billow, Managing Director of Flow Traffic Ltd., commented, "This is our fourth contract for supply of Autoscope in Hong Kong and we are proud to have been able to satisfy the rigorous demands that Hong Kong authorities have set up for vehicle detection in respect of reliability and accuracy. Autoscope maintains a dominant position in Hong Kong and is so far the only video image processing technology that has been implemented by the Hong Kong Transport Department for vehicle detection."

Flow Traffic is a supplier of a broad range of traffic management products and systems in Asia. The company, which has offices in both Hong Kong and Shenzhen, China, has been a subsidiary of ISS since April 1999.

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) for freeway and tunnel incident detection, intersection control, and traffic data collection. The Company's cornerstone Autoscope products provide traffic managers the means to reduce roadway congestion, improve roadway planning, and improve cost efficiencies. Image Sensing Systems, Inc. and Flow Traffic Ltd. are particularly suited to provide technical solutions to the growing intelligent transportation systems markets worldwide.

Safe Harbor Statement: This release 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 2001 Annual Form 10-KSB.

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