



500 Spruce Tree Centre
1600 University Avenue West
St. Paul, Minnesota 55104-3825 USA
651.603.7700 Fax: 651.603.7795
www.imagesensing.com

NEWS RELEASE

**Contacts: Craig A. Anderson, Vice President Marketing & Technical Services
Image Sensing Systems, Inc. Phone: 651.603.7700**

FOR IMMEDIATE RELEASE

Large Autoscope® Contracts Secured for Chinese Projects

Saint Paul, Minn., June 11, 2003--Image Sensing Systems, Inc. (ISS) (NASDAQ Small Cap: ISNS) announced today that its wholly-owned Asian subsidiary, Flow Traffic Ltd., has signed contracts to supply Autoscope Solo® Pro NC vehicle detection systems for several projects in the People's Republic of China. More than 100 units of the world leading video image processing technology for vehicle detection are now being supplied to China. Deliveries are to be completed before June 30, 2003 for installation in the third quarter. The contracts include equipment supply for the prestigious Dalian Lu Tunnel project in Shanghai, the Taiqi Expressway project in Shanxi province, and the Qinzhou Bridge in Fujian province. The Solo Pro NC equipment will be used for the collection of various traffic data as well as for incident detection applications.

Johan Billow, Managing Director of Flow Traffic Ltd., commented, "Through these recent contracts in China we are doubling our installed base in a market that we believe has the potential to become the largest market for vehicle video detection outside the United States. We will, after fulfilling these contracts, altogether have supplied Autoscope equipment to mainland China for the processing of over 200 cameras. The second quarter has indeed been very positive for Flow Traffic and we are now being rewarded for our efforts earlier in the year.

"Although the problems with the Severe Acute Respiratory Syndrome have to a certain extent affected business progress in Asia, we are very pleased with how the second quarter of the year has developed. Large supply contracts to other parts of Asia are in the pipeline and we expect to have additional news to announce later this year."

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

Headquartered in St. Paul, Minnesota, Image Sensing Systems, Inc. combines expertise in image processing, hardware and software engineering, and communications to develop video vehicle detection systems for traffic management and control applications. The Autoscope vehicle detection system is the world leader in video detection for advanced traffic management systems for highways, tunnel incident detection, intersection control, and traffic data collection. Autoscope provides traffic managers the means to reduce roadway congestion, improve roadway planning, and improve cost efficiencies.

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 2002 Annual Form 10-KSB.

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