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NEWS RELEASE

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FOR IMMEDIATE RELEASE

Autoscope[®] Wins Contract for the Branisko Tunnel in the Slovak Republic

Saint Paul, Minn., June 25, 2003--Image Sensing Systems, Inc. (ISS) (NASDAQ Small Cap: ISNS) announced today that it has been awarded a contract, through its exclusive distributor, Bredar AG, Switzerland to supply Autoscope[®] video vehicle detection systems for the Branisko Tunnel in the Slovak Republic. Due to be completed in this year, the Branisko Tunnel is the first tunnel to be built in the Slovak Republic. The vehicle detection system includes 58 cameras with the Autoscope Solo[®] compatible product, Autoscope RackVision[™] just introduced this spring. The system will be providing incident detection for safety precautions throughout the nearly 5 km long tunnel.

Graham Heywood, Image Sensing Systems Europe Managing Director said today, "Our recent successes in penetrating the European Tunnel market is due to our Autoscope technology that provides low false alarm rates and high levels of Automatic Incident Detection (AID). The success in winning the Branisko Tunnel order follows recent contracts to supply tunnel AID systems in Holland, the United Kingdom, and Croatia. Our new lane detector product, designed specifically for tunnel applications makes for easy customer set up and truly complete field of view coverage."

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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