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NEWS RELEASE

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FOR IMMEDIATE RELEASE

Image Sensing Systems' Partner Econolite to Exhibit Data Collection & Management Service at NATMEC 2004

Saint Paul, Minn., June 25, 2004--Image Sensing Systems, Inc. (ISS) (NASDAQ Small Cap: ISNS) announced today that its strategic partner, Econolite Control Products Inc., along with TrafficWerks Systems Inc., will be attending and exhibiting their Data Collection and Management Service (DCMS) system, which uses the Autoscope[®] video vehicle detection system, at the 2004 North American Travel Monitoring Exhibition & Conference (NATMEC 2004) next week in San Diego, California.

DCMS is a real-time traffic data collection, formatting, and data delivery service that gathers data from a variety of roadside devices, including Autoscope systems. The Autoscope Solo[®] Pro and DCMS are being used to transform intersection, mid-block, and freeway detection systems into automated, virtual count stations that continuously gather and distribute traffic data in real-time. With a variety of communications devices, compressed video and data are brought back to a personalized and secure hosted website, then instantly shared with emergency service providers, transportation agencies, and the driving public to improve current safety and traffic conditions. For more information and live demo see <http://econolite.trafficwerks.com>.

Opening on Sunday, June 27th, NATMEC 2004 is an annual 3-day conference to advance the practice of travel monitoring by improving the interaction between traffic management professionals, data collection program management, and the staff that collect, process, and use that data.

Frank Provenzano, Director of ITS and New Business Development of Econolite, commented, "This exciting new approach to traffic monitoring allows for easy real-time traffic information collection and aggregation, flexible report creation, and timely traffic network integration – giving you the ability to create an effective traffic data sharing and distribution system."

Dr. Bill Sowell, Econolite's Director of Product Management remarked, "The real-time traffic data collection and reporting capability provided by both Autoscope and the DCMS service is very unique in the intelligent transportation marketplace. Not only can we provide accurate real-time per lane speed, volume and density, but we can disseminate the traffic data with either streaming video or snapshots of the prevailing traffic conditions to media outlets, data providers, and to websites."

Econolite, a strategic partner of ISS since 1991, is a leading North American manufacturer and distributor of traffic control equipment and systems. Econolite is the exclusive North & Latin American distributor for the Autoscope video vehicle detection systems. www.econolite.com

TrafficWerks, a strategic partner of Econolite, is a leading provider of web based traffic and road use information to the traffic engineering community. www.trafficwerks.com

Headquartered in St. Paul, Minnesota, Image Sensing Systems 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. The Autoscope system provides traffic managers the means to reduce roadway congestion, improve roadway planning, and improve cost efficiencies. www.imagesensing.com

Safe Harbor Statement: Statements made in this release concerning the Company's or management's intentions, expectations, or predictions about future results or events are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements reflect management's current expectations or beliefs, and are subject to risks and uncertainties that could cause actual results or events to vary from stated expectations, which variations could be material and adverse. Our forward-looking statements speak only as of the time made, and we assume no obligation to publicly update any such statements. Additional information concerning risks that could cause actual results and events to differ materially from the Company's current expectations are contained in the Company's Form 10-KSB for the year ended December 31, 2003.

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