

FOR IMMEDIATE RELEASE

Contact:

The Investor Relations Group
James Carbonara, 212-825-3210

Media Relations:
Enrique Briz, 212-825-3210

Intellicheck Mobilisa Announces 2nd Quarter Financial Results

Conference Call Scheduled for Today, Tuesday, August 10, at 1:00 p.m. ET

Port Townsend, WA – August 10, 2010: [Intellicheck Mobilisa](http://www.intellicheck.com) (NYSE Amex: IDN) has released its financial results for the second quarter and six months ended June 30, 2010.

Revenues for quarter ended June 30, 2010, decreased 24% to \$3,003,018 compared to \$3,939,537 for the same period of the previous year. The decrease in revenues in the second quarter of 2010 is primarily a result of approximately \$1.1 million in sales to a telecommunications company in the second quarter of 2009, including an enterprise wide software license and hardware sales. Adjusted EBITDA for the second quarter of 2010 was negative \$197,003 compared to positive \$853,501 in the second quarter of 2009. The net loss was \$601,650 or \$(0.02) per diluted share for the three months ended June 30, 2010, as compared to net income of \$472,993 or \$0.02 per diluted share for the three months ended June 30, 2009. The Company's backlog, which represents non-cancelable sales orders for products not yet shipped and services to be performed, was approximately \$4.9 million at June 30, 2010, compared to \$7.3 million at June 30, 2009.

For the six month period ended June 30, 2010, revenues were \$5,677,847, compared to revenues of \$6,082,875 reported in the same period of the prior year. Adjusted EBITDA for the first six months of 2010 was negative \$611,412 compared to positive \$656,042 in the first six months of 2009. Intellicheck Mobilisa had a net loss of \$1,412,930, or \$(0.05) per share in the first six months of 2010, compared to a net loss of \$61,647, or \$(0.00) per share, in the same period of 2009.

"We posted respectable results generated solely from our base sales, and not skewed by a singular large dollar contract," said Dr. Nelson Ludlow, CEO of Intellicheck Mobilisa. "We saw growth in our banking products and repeat customer purchases. We are very pleased to have added to the business development team and have significantly increased our pipeline of future opportunities."

Conference Call Information

IDN will host a conference call for members of the investment community today at 1:00 p.m. Eastern / 10:00 a.m. Pacific Time. Interested parties dial (877) 407-8037 approximately ten

minutes before the scheduled beginning. For callers outside the U.S., please dial (201) 689-8037. For those unable to participate in the live conference, a recording will be available for forty-eight hours after the call. The rebroadcast can be accessed by dialing 877-660-6853 and 201-612-7415 for international callers. The account access code is 327 and replay ID is 353983. After the forty-eight hour window, please visit the investor relations portion of the company website at www.icmobil.com for rebroadcast.

About Intellicheck Mobilisa

Intellicheck Mobilisa is a leading technology company, developing and marketing wireless technology and identity systems for various applications including: mobile and handheld wireless devices for the government, military and commercial sectors. Products include the Defense ID system, an advanced ID card access control product currently protecting over 80 military and federal locations, and ID-Check, patented technology that instantly reads, analyzes, and verifies encoded data in magnetic stripes and barcodes on government-issue IDs from U.S. and Canadian jurisdictions for the financial, hospitality and retail sectors.

For more news and information on Intellicheck Mobilisa, Inc., please visit www.IRGnews.com/coi/IDN where you can find the CEO's video, a fact sheet on the company, investor presentations, and more or visit our website at www.icmobil.com.

Safe Harbor Statement

Certain statements in this press release constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. When used in this press release, words such as "will," "believe," "expect," "anticipate," "encouraged," and similar expressions, as they relate to the company or its management, as well as assumptions made by and information currently available to the company's management identify forward-looking statements. Actual results may differ materially from the information presented here. Additional information concerning forward-looking statements is contained under the heading of risk factors listed from time to time in the company's filings with the SEC. We do not assume any obligation to update the forward-looking information.

Adjusted EBITDA

Intellicheck Mobilisa uses Adjusted EBITDA as a non-GAAP financial performance measurement. Adjusted EBITDA is calculated by adding back to net income (loss) interest, income taxes, impairments of long-lived assets and goodwill, depreciation, amortization and stock-based compensation expense. Adjusted EBITDA is provided to investors to supplement the results of operations reported in accordance with GAAP. Management believes that Adjusted EBITDA provides an additional tool for investors to use in comparing Intellicheck Mobilisa financial results with other companies that also use Adjusted EBITDA in their communications to investors. By excluding non-cash charges such as impairments of long-lived assets and goodwill, amortization, depreciation and stock-based compensation, as well as non-operating charges for interest and income taxes, investors can evaluate the Company's operations and can compare its results on a more consistent basis to the results of other companies. In

addition, adjusted EBITDA is one of the primary measures management uses to monitor and evaluate financial and operating results.

Intellicheck Mobilisa considers Adjusted EBITDA to be an important indicator of the Company's operational strength and performance of its business and a useful measure of the Company's historical operating trends. However, there are significant limitations to the use of Adjusted EBITDA since it excludes interest income and expense, impairments of long lived assets and goodwill, stock based compensation expense, all of which impact the Company's profitability, as well as depreciation and amortization related to the use of long term assets which benefit multiple periods. Intellicheck Mobilisa believes that these limitations are compensated by providing Adjusted EBITDA only with GAAP net income (loss) and clearly identifying the difference between the two measures. Consequently, Adjusted EBITDA should not be considered in isolation or as a substitute for net income (loss) presented in accordance with GAAP. Adjusted EBITDA as defined by the Company may not be comparable with similarly named measures provided by other entities. A reconciliation of Adjusted EBITDA to GAAP net income or loss is included in the enclosed schedule.

INTELLICHECK MOBILISA, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	<u>2010</u>	<u>2009*</u> (Revised)	<u>2010</u>	<u>2009*</u> (Revised)
REVENUES	\$ 3,003,018	\$ 3,939,537	\$ 5,677,847	\$ 6,082,875
COST OF REVENUES	<u>(1,002,403)</u>	<u>(1,312,536)</u>	<u>(1,927,815)</u>	<u>(2,038,209)</u>
Gross profit	2,000,615	2,627,001	3,750,032	4,044,666
OPERATING EXPENSES				
Selling	445,311	588,277	952,831	1,027,846
General and administrative	1,549,125	917,567	2,814,683	1,748,430
Research and development	<u>600,352</u>	<u>646,848</u>	<u>1,389,505</u>	<u>1,330,571</u>
Total operating expenses	<u>2,594,788</u>	<u>2,152,692</u>	<u>5,157,019</u>	<u>4,106,847</u>
Income (loss) from operations	(594,173)	474,309	(1,406,987)	(62,181)
OTHER INCOME (EXPENSE)				
Interest income	23	80	57	1,830
Interest expense	(7,500)	-	(15,000)	-
Other expense	<u>-</u>	<u>(1,396)</u>	<u>-</u>	<u>(1,396)</u>
	<u>(7,477)</u>	<u>(1,316)</u>	<u>(14,943)</u>	<u>434</u>
Net income (loss)	<u>\$ (601,650)</u>	<u>\$ 472,993</u>	<u>\$ (1,412,930)</u>	<u>\$ (61,747)</u>
PER SHARE INFORMATION				
Net income (loss) per common share -				
Basic	<u>\$ (0.02)</u>	<u>\$ 0.02</u>	<u>\$ (0.05)</u>	<u>\$ (0.00)</u>
Diluted	<u>\$ (0.02)</u>	<u>\$ 0.02</u>	<u>\$ (0.05)</u>	<u>\$ (0.00)</u>
Weighted average common shares used in computing per share amounts -				
Basic	<u>26,583,648</u>	<u>25,418,322</u>	<u>26,370,625</u>	<u>25,388,534</u>
Diluted	<u>26,583,648</u>	<u>26,517,593</u>	<u>26,370,625</u>	<u>25,388,534</u>

* The 2009 results have been revised to reflect the correction of an accounting error identified in the third quarter of 2009, resulting in an increase in revenues and an increase in the net income (or reduction in the net loss) by \$21,196 and \$42,822 in the three and six months ended June 30, 2009, respectively.

INTELLICHECK MOBILISA, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

ASSETS

	June 30, 2010	December 31, 2009
	(Unaudited)	
CURRENT ASSETS:		
Cash and cash equivalents	\$ 2,277,658	\$ 3,008,472
Accounts receivable, net of allowance of \$1,651 and \$7,486 as of June 30, 2010 and December 31, 2009, respectively	2,037,286	2,213,586
Inventory	61,941	43,706
Other current assets	<u>308,625</u>	<u>257,531</u>
Total current assets	4,685,510	5,523,295
PROPERTY AND EQUIPMENT, net	26,931	482,077
GOODWILL	12,308,661	12,258,661
INTANGIBLE ASSETS, net	6,969,684	7,445,234
OTHER ASSETS	<u>73,051</u>	<u>48,905</u>
Total assets	<u>\$24,563,837</u>	<u>\$25,758,172</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES:		
Accounts payable	\$ 442,660	\$ 263,901
Accrued expenses	846,065	704,659
Deferred revenue, current portion	1,554,784	1,911,022
Notes payable, current portion	<u>396,667</u>	<u>386,667</u>
Total current liabilities	3,240,176	3,266,249
OTHER LIABILITIES		
Deferred revenue, long-term portion	601,029	729,449
Notes payable, long-term portion	<u>188,333</u>	<u>183,333</u>
Total liabilities	4,029,538	4,179,031
STOCKHOLDERS' EQUITY:		
Common stock - \$.001 par value; 40,000,000 shares authorized; 26,600,419 and 26,224,560 shares issued and outstanding, respectively	26,600	26,224
Additional paid-in capital	100,036,769	99,660,057
Accumulated deficit	<u>(79,529,070)</u>	<u>(78,107,140)</u>
Total stockholders' equity	<u>20,534,299</u>	<u>21,579,141</u>
Total liabilities and stockholders' equity	<u>\$24,563,837</u>	<u>\$25,758,172</u>

RECONCILIATION OF ADJUSTED EBITDA TO NET INCOME (LOSS)
(Unaudited)

	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Net income (loss)	\$ (601,650)	\$ 472,993	\$ (1,412,930)	\$ (61,747)
Interest expense (income), net	7,477	(80)	14,943	(1,830)
Provision for income taxes	-	-	-	-
Depreciation and amortization	284,555	226,852	566,289	453,255
Stock based compensation	<u>112,615</u>	<u>153,736</u>	<u>229,286</u>	<u>266,264</u>
Adjusted EBITDA	<u>\$ (197,003)</u>	<u>\$ 853,501</u>	<u>\$ (611,412)</u>	<u>\$ 655,942</u>