

FOR IMMEDIATE RELEASE

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INTELLICHECK MOBILISA ANNOUNCES 2011 SECOND QUARTER FINANCIAL RESULTS

Company Reaches Profitability Through Improved Business Development Activities and Cost Reductions

**Conference Call Scheduled for Today,
Wednesday, August 3, at 1:00 p.m. ET/10:00 a.m. PT**

Port Townsend, WA – August 3, 2011-- [Intellicheck Mobilisa](#) (NYSE Amex: IDN) has released its financial results for the second quarter and six months ended June 30, 2011.

Revenues for the quarter ended June 30, 2011 increased 5% to \$3,165,342 compared to \$3,003,018 in the same period of the previous year. Adjusted EBITDA was \$337,490 for the second quarter of 2011 compared to \$(197,003) for the second quarter of 2010. Net income for the three months ended June 30, 2011 was \$124,832 or \$0.00 per diluted share compared to a net loss of \$(601,650) or \$(0.02) per diluted share for the three months ended June 30, 2010.

For the six months ended June 30, 2011, revenues increased 6% to \$6,020,997 compared to revenues of \$5,677,847 reported in the same period of the prior year. Adjusted EBITDA for the first half of 2011 was \$(18,824) compared to \$(611,412) in the first half of 2010. Net loss decreased to \$(582,917) or \$(0.02) per diluted share for the six months ended June 30, 2011, compared to a net loss of \$(1,421,930) or \$(0.05) for the six months ended June 30, 2010.

Steve Williams, CEO of Intellicheck Mobilisa, said, “I am pleased with our continued progress. Our growth in revenue, coupled with our operating cost reduction initiatives, resulted in our first quarter of profit in several years. We are gaining traction from ID Risk Checksm sales to our two top-tier clients, and we believe that we will see continued growth in this product line as we move ahead. We continue to diversify our product line and have been successful with our partnership signed in the quarter with Workspeed, a leader in building management and security systems. Workspeed manages over 2,000 commercial real estate properties and will be incorporating our ID-reading technology into their security check-in process. We look forward to growing this partnership and finding similar niche markets in which to deploy our technology.”

Mr. Williams continued, “As previously highlighted, we are putting an emphasis on commercializing our Aegeus buoy system, and continue to make progress on that front with the recent deployment into the Potomac. This brings the total number of buoys in use to eight, and we are determined to begin selling the product on a commercial level soon. We are also moving ahead with business development efforts with our TWIC reader, and we were pleased to announce that the Port of Boston had selected our readers for a pilot program, which is currently underway.”

Mr. Williams concluded, “We are determined to drive revenue growth and keep our margins high, as evidenced in the second quarter results. We have a strong asset in our patent portfolio related to the authentication systems of drivers’ licenses, and we will continue to introduce new products in this area. We are excited about the quarters to come and look forward to updating our shareholders as we move ahead.”

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 366276. 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 markets. 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)

	Three Months Ended June 30,		Six Months Ended June 30,	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
REVENUES	\$ 3,165,342	\$ 3,003,018	\$ 6,020,997	\$ 5,677,847
COST OF REVENUES	<u>(1,017,212)</u>	<u>(1,002,403)</u>	<u>(2,137,014)</u>	<u>(1,927,815)</u>
Gross profit	2,148,130	2,000,615	3,883,983	3,750,032
OPERATING EXPENSES				
Selling	473,955	445,311	988,083	952,831
General and administrative	948,095	1,549,125	2,109,498	2,814,683
Research and development	<u>598,761</u>	<u>600,352</u>	<u>1,364,347</u>	<u>1,389,505</u>
Total operating expenses	2,202,811	2,594,788	4,461,928	5,157,019
Income (loss) from operations	127,319	(594,173)	(577,945)	(1,406,987)
OTHER INCOME (EXPENSE)				
Interest income	13	23	28	57
Interest expense	<u>(2,500)</u>	<u>(7,500)</u>	<u>(5,000)</u>	<u>(15,000)</u>
	<u>(2,487)</u>	<u>(7,477)</u>	<u>(4,972)</u>	<u>(14,943)</u>
Net income (loss)	<u>\$ 124,832</u>	<u>\$ (601,650)</u>	<u>\$ (582,917)</u>	<u>\$ (1,421,930)</u>
PER SHARE INFORMATION				
Net loss per common share -				
Basic	<u>\$ 0.00</u>	<u>\$ (0.02)</u>	<u>\$ (0.02)</u>	<u>\$ (0.05)</u>
Diluted	<u>\$ 0.00</u>	<u>\$ (0.02)</u>	<u>\$ (0.02)</u>	<u>\$ (0.05)</u>
Weighted average common shares used in computing per share amounts -				
Basic	<u>27,091,227</u>	<u>26,583,648</u>	<u>27,059,049</u>	<u>26,370,625</u>
Diluted	<u>27,530,215</u>	<u>26,583,648</u>	<u>27,059,049</u>	<u>26,370,625</u>

CONDENSED CONSOLIDATED BALANCE SHEETS

ASSETS

	June 30, 2011 <u>(Unaudited)</u>	December 31, 2010 <u></u>
CURRENT ASSETS:		
Cash and cash equivalents	\$ 1,474,880	\$ 1,488,904
Accounts receivable, net of allowance of \$4,884 and \$1,651 as of June 30, 2011 and December 31, 2010, respectively	2,345,312	2,905,794
Inventory	24,799	17,524
Other current assets	<u>125,493</u>	<u>115,195</u>
Total current assets	3,970,484	4,527,417
PROPERTY AND EQUIPMENT, net	512,594	570,613
GOODWILL	12,308,661	12,308,661
INTANGIBLE ASSETS, net	6,018,584	6,494,134
OTHER ASSETS	<u>72,529</u>	<u>73,051</u>
Total assets	<u>\$22,882,852</u>	<u>\$23,973,876</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES:		
Accounts payable	\$ 412,849	\$ 366,924
Accrued expenses	843,508	858,058
Deferred revenue, current portion	1,644,182	1,935,144
Notes payable, current portion	<u>198,333</u>	<u>193,333</u>
Total current liabilities	3,098,872	3,353,459
OTHER LIABILITIES		
Deferred revenue, long-term portion	361,619	709,378
Deferred rent	<u>195,050</u>	<u>125,426</u>
Total liabilities	3,655,541	4,188,263
STOCKHOLDERS' EQUITY	<u>19,227,311</u>	<u>19,785,613</u>
Total liabilities and stockholders' equity	<u>\$22,882,852</u>	<u>\$23,973,876</u>

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Net income (loss)	\$ 124,832	\$ (601,650)	\$ (582,917)	\$ (1,421,930)
Reconciling items:				
Interest – net	2,487	7,477	4,972	14,943
Provision (benefit) for income taxes	-	-	-	-
Depreciation and amortization	283,039	284,555	566,706	566,289
Stock-based compensation	<u>(72,868)</u>	<u>112,615</u>	<u>(7,585)</u>	<u>229,286</u>
Adjusted EBITDA	<u>\$ 337,490</u>	<u>\$ (197,003)</u>	<u>\$ (18,824)</u>	<u>\$ (611,412)</u>