

WEST VIRGINIA STATE POLICE RENEWS STATEWIDE CONTRACT WITH DIGITAL ALLY, INC.

STATE OF ARKANSAS PLACES FIFTH ORDER FOR *DVM-500* SYSTEMS

OVERLAND PARK, Kansas (October 14, 2008) – Digital Ally, Inc. (Nasdaq: DGLY), which develops, manufactures and markets advanced video surveillance products for law enforcement, homeland security and commercial security applications, today announced that the West Virginia State Police has renewed its statewide contract with the Company.

The Company entered into its initial statewide contract with the West Virginia State Police in January 2007, and the latest renewal extends the contract until December 31, 2009 in accordance with its original terms and conditions. The contract allows for all state, county and municipal law enforcement agencies within the State of West Virginia to purchase ***DVM-500 In-Car Rearview Mirror Systems*** under the same terms and conditions as those provided the West Virginia State Police department. Since the signing of the initial contract, Digital Ally has received orders totaling 516 *DVM-500* systems from the State Police. Orders have also been received from over 75 city and county law enforcement agencies throughout West Virginia.

The Company also announced that it has received a fifth order from the State of Arkansas under a statewide contract that was renewed in May 2008 for another year (through June 5, 2009). The latest order, for 75 *DVM-500* systems, brings the total number of units ordered by the Arkansas State Police since June 2007 to approximately 214.

“Renewal of the West Virginia statewide contract and an expanding number of re-orders from the Arkansas State Police illustrates a growing level of confidence in Digital Ally products as customers gain experience with the *DVM-500* in the field,” stated Stanton E. Ross, Chief Executive Officer of the Company. “The unique features, space-saving characteristics, and cost-effectiveness of the *DVM-500* represent competitive factors that have allowed Digital Ally to continue expanding its share of the in-car video market within the domestic and law enforcement communities. We expect this trend to continue, and our goal is to expand our line of law enforcement products and leverage our technology into applications in other markets.”

About Digital Ally, Inc.

Digital Ally, Inc. develops, manufactures and markets advanced technology products for law enforcement, homeland security and commercial security applications. The Company’s primary focus is Digital Video Imaging and Storage. For additional information, visit www.digitalallyinc.com

The Company is headquartered in Overland Park, Kansas, and its shares are traded on The Nasdaq Capital Market under the symbol "DGLY".

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Act of 1934. These forward-looking statements are based largely on the expectations or forecasts of future events, can be affected by inaccurate assumptions, and are subject to various business risks and known and unknown uncertainties, a number of which are beyond the control of management. Therefore, actual results could differ materially from the forward-looking statements contained in this press release. A wide variety of factors that may cause actual results to differ from the forward-looking statements include, but are not limited to, the following: the Company's ability to have its new product offerings perform as planned or advertised; its ability to continue to increase revenue and profits as forecast; its ability to continue to expand its share of the in-car video market in the domestic and international law enforcement communities; whether there will be a commercial market, domestically and internationally, for one or more of its new products; its ability to commercialize its products and production processes, including increasing its production capabilities to satisfy orders in a cost-effective manner; whether the Company will be able to adapt its technology to new and different uses, including being able to introduce new products; competition from larger, more established companies with far greater economic and human resources; its ability to attract and retain customers and quality employees; its ability to obtain patent protection on any of its products and, if obtained, to defend such intellectual property rights; the effect of changing economic conditions; and changes in government regulations, tax rates and similar matters. These cautionary statements should not be construed as exhaustive or as any admission as to the adequacy of the Company's disclosures. The Company cannot predict or determine after the fact what factors would cause actual results to differ materially from those indicated by the forward-looking statements or other statements. The reader should consider statements that include the words "believes", "expects", "anticipates", "intends", "estimates", "plans", "projects", "should", or other expressions that are predictions of or indicate future events or trends, to be uncertain and forward-looking. The Company does not undertake to publicly update or revise forward-looking statements, whether as a result of new information, future events or otherwise. Additional information respecting factors that could materially affect the Company and its operations are contained in its annual report on Form 10-KSB for the year ended December 31, 2007 and Form 10-Q for the six months ended June 30, 2008 as filed with the Securities and Exchange Commission.

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