

DIGITAL ALLY, INC. RECAPS INVESTOR CONFERENCE CALL

COMPANY ANTICIPATES SALES OF \$15-\$20 MILLION IN 2006

LEAWOOD, Kansas (December 7, 2005) – Digital Ally, Inc. (Pink Sheets: DGLY), which develops, manufactures and markets advanced technology products for law enforcement, homeland security and commercial security applications, yesterday hosted an investor conference call, which is available for replay until December 13, 2005 by dialing 877-519-4471, or 973-341-3080, and entering the conference ID number 6737316.

A review of information provided and/or discussed during the conference call, which was moderated by CEO Stan Ross, is provided below.

New Products and Initial Orders

Digital Ally introduced two new digital video surveillance products at the **112th Annual Conference of the International Chiefs of Police (IACP)**, which was held in Miami, Florida on September 25-27, 2005. The **Compact Digital In-Car Video System** integrates state-of-the-art digital video technology into an automobile rear-view mirror, while retaining the original utility of the mirror. It is GPS-enabled, provides up to 16 hours of video and audio recording onto a digital flash card, and frees up critically important space elsewhere in the vehicle. The portable **Digital Video Flashlight** is a high-quality, water-resistant law enforcement-style flashlight with an integrated video and audio recording system that provides a digital record of police and security activities. It can be integrated with the evidence provided by the Company's in-car video system, thus providing a seamless record of law enforcement actions that require officers to deal with criminal activities, whether they occur inside of, near to, or far away from the police car. This eliminates the need for law enforcement professionals to carry or wear video cameras or other recording equipment in order to gather evidence that can be used in court.

Both of these advanced surveillance products incorporate Digital Ally's proprietary digital compression technology and are designed to provide law enforcement professionals with a seamless video and audio record of activities inside and outside of police vehicles. The Company has been very pleased with the response it has received from the law enforcement community regarding these two products, and orders have been received from law enforcement agencies in five states to date. Shipments are scheduled to begin in the first quarter of 2006, if there are no unanticipated delays.

Two additional new products are currently under development. These new products, which also incorporate Digital Ally's proprietary video surveillance capabilities, are scheduled to be introduced by mid-2006 and will initially target the law enforcement market. The Company has filed for patent protection on certain aspects of its technology in its current products and plans to file for patent protection on new products when appropriate.

2006 Sales Outlook

Based on sales leads and information from its sales representatives that is currently available to the Company, Digital Ally expects to sell approximately 4,000 in-car video systems and approximately 6,000 digital video flashlights in 2006. If achieved, these unit sales should result in 2006 revenues in the \$15-\$20 million range, and management expects the Company to be profitable for the year.

Market Potential

The Company is addressing multi-billion-dollar market opportunities in law enforcement, commercial security and homeland security applications. In the law enforcement field alone, over 50,000 new automobiles are placed into service annually, the vast majority of which require in-car video systems. A large market opportunity also exists in retrofitting existing law enforcement vehicles with new digital video systems.

Common Stock Listing and Financial Information

While Digital Ally's common stock currently trades on the Pink Sheets under the symbol "DGLY", the Company plans to register under the Securities Exchange Act of 1934 to become an SEC-reporting company in the first quarter of 2006. After such registration becomes effective, the Company intends to qualify its common stock for trading on the OTC Bulletin Board, and eventually on The Nasdaq Stock Market or the American Stock Exchange.

The Company's financial statements for the three and nine months ended September 30, 2005, are available to investors on the Internet at www.pinksheets.com.

There are approximately 12.2 million common shares outstanding and approximately 15.2 million common shares on a fully-diluted basis.

About Digital Ally, Inc.

Digital Ally, Inc. is involved in the development, manufacturing and marketing of advanced technology products for law enforcement, homeland security and

commercial security applications. The Company's primary development focus involves the field of 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 Pink Sheets 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 raise sufficient capital to implement its business plan; its ability to have all of its product offerings perform as planned or advertised; whether there will be a commercial market for one or more of its products; its ability to commercialize its products and production processes, generate sufficient revenues and achieve profitability, including achieving \$15 to \$20 million in revenues and profitability in 2006; whether the Company will be able to adapt its technology to new and different uses, including being able to introduce two new products in 2006; 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 always 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", 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.

For Additional Information, Please Contact:

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