

## **MDI Lands \$600,000 Unified Security Systems Deal with Major Department of Defense Customer**

### **MDI Security Platform to Include HSPD-12 and FIPS-201 Compliance for Federal Identification Standards**

SAN ANTONIO, Texas – October 30, 2008 – MDI, Inc. (NASDAQ: MDII) announced today that its MDI Security Systems division was awarded a security contract and multiple product orders totaling \$606,000 from a major Department of Defense (DoD) Army base facility. The total sale includes security products, technical integration and expert services. The MDI System and all component products required for this project are scheduled for shipment during the month of November. Project installation at the DoD customer facility will follow product shipment. All \$606,000 in revenue from this project will be recognized by MDI, at customary profit margins, during the fourth quarter of this year.

With over fifty-thousand soldiers, twelve-thousand civilian employees and a combination of twenty-three battalions, brigades, companies, commands and divisions on base, MDI's customer is one of the largest and most diverse military posts in the world. The facility trains, sustains, mobilizes, and deploys troops to conduct global, full spectrum operations in support of U.S. military strategy.

In its arsenal, the post has an array of modernized war-fighting equipment including 2,500 tracked vehicles, 10,000 wheeled vehicles and 200 fixed and rotary-winged aircraft. Its state-of-the-art digitized warfare training facility is a destination for US military troops requiring hands on instruction before real-time operation of modern weapons in the field.

The contract consists of two project phases. In the first project, MDI will modernize the Integrated Commercial Intrusion Detection System II (ICIDS) physical security system. In the second project, MDI will install upgraded servers, configure the databases and transition the information systems. After the transition, a Performance Verification Test (PVT) will be completed by MDI to ensure that all devices function properly and report back to the head-end software platform.

MDI's comprehensive solution will deliver complete video integration capabilities to the client's security managers and empower compliance with Homeland Security Presidential Directive 12 (HSPD-12) and Federal Information Processing Standards Publication 201 (FIPS-201) mandates. Compliance with these national directives makes certain that the facility has a common identification standard for Federal employees and contractors.

MDI solutions convey value to the customer by delivering secure and reliable identification capabilities, integrated into their Physical Access Control Systems (PACS) which:

- Are issued based on sound criteria for verifying an individual employee's identity
- Are strongly resistant to identity fraud, tampering, counterfeiting, and terrorist exploitation
- May be rapidly authenticated electronically; and
- Are issued only by providers whose reliability has been established by an official accreditation process.

“Once again, MDI has proven to be the industry leader in providing integrated security solutions that include HSPD-12 and FIPS-201 compliance to the United States Government and the Department of Defense,” stated Tim Rohrbach, President and Chief Technical Officer of MDI Security Systems. “By providing a complete solution to our Government clients that includes software, hardware, integration services, training, installation project management and direct on-site technical support, MDI is positioned to maintain its leadership position in the Public Sector and Homeland Security by understanding our customer’s needs and delivering complete solutions that bring operational efficiencies and enhanced security management features,” he added.

MDI is currently working to finalize contracts with numerous other Government agencies to provide them with similar types of security management solutions. The US Government is the largest user of integrated security solutions in the world and MDI Security Systems remains at the forefront of the Government and Homeland Security market.

**About MDI, Inc. (NASDAQ: [MDII](#) - [News](#))**

MDI, Inc. (NASDAQ: MDII), is the parent company of a diverse set of wholly-owned subsidiaries that have successfully serviced the construction and security industries for over 28 years. MDI companies deliver security technology products, services and training for government, homeland security, commercial and educational markets as well as comprehensive construction solutions for a variety of clients on an international scale. MDI companies include:

MDI, Inc. - [www.mdiincorporated.com](http://www.mdiincorporated.com)

MDI Security Systems™ - [www.mdisecure.com](http://www.mdisecure.com)

MDI Professional Services Group - [http://www.mdiincorporated.com/MDI\\_PSG.pdf](http://www.mdiincorporated.com/MDI_PSG.pdf)

The LearnSafe Initiative™ - [www.learnsafe.org](http://www.learnsafe.org)

FAS Construction Management - [www.fascompanies.com](http://www.fascompanies.com)

FAS Construction, LLC

STRUCTURE Real Estate Development Company - [www.structurereds.com](http://www.structurereds.com)

For more information on MDI or its diversified line of products and professional services, please visit [www.mdisecure.com](http://www.mdisecure.com).

**Forward-Looking and Cautionary Statements**

Except for historical information and discussions contained herein, certain statements included in this press release may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include a number of risks, uncertainties and other factors that could cause actual results to differ materially, as discussed in the Company's filings with the Securities and Exchange Commission.

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