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FEDERAL SIGNAL

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FOR IMMEDIATE RELEASE

FEDERAL SIGNAL ACQUIRES DIAMOND CONSULTING SERVICES

Accretive Acquisition Adds Detection and Classification Technology to Federal Signal's Intelligent Transportation Systems Platform

OAK BROOK, Ill., December 10, 2009 – Federal Signal Corporation (NYSE: FSS), a leader in environmental, safety and transportation solutions, today announced it has acquired Diamond Consulting Services Ltd. (DCS), which specializes in vehicle classification systems for tolling and other Intelligent Transportation Systems (ITS), for \$14.6 million and deferred payments in future years of up to \$3.2 million. The transaction will be immediately accretive to Federal Signal shareholders. The combination of DCS' technology with Federal Signal's existing PIPS automated license plate recognition technology broadens Federal Signal's product line of best-in-class technologies in ITS and increases the Company's addressable market.

DCS' market leading automatic vehicle classification technology uses advanced proprietary software to detect vehicles in a variety of safety, tolling and data collection applications and is recognized worldwide by the Idris® brand. Idris technology classifies vehicles to the highest available accuracy and is the de-facto standard in the U.S. for axle-based Electronic Toll Collection, the process of collecting tolls without the use of toll booths or otherwise requiring vehicles to stop. Together with PIPS, it is also at the heart of the latest generation of tolling – All Electronic Toll Collection (AETC).

"This acquisition is an important step in our strategy of driving growth through our Public Safety Systems platform," said William Osborne, Federal Signal's President and Chief Executive Officer. "DCS' differentiated expertise in road traffic software applications and axle recognition technology complements Federal Signal's enforcement camera product. Our PIPS clients who also utilize DCS' software recognize the compelling value of the combined offering, further differentiating our solutions from the competition. I have tremendous respect for Diamond Consulting's people, technology and business, and I welcome the talented DCS team to Federal Signal."

"DCS has built a strong position in the traffic industry over the last 15 years, and has become an enabler in the evolution of tolling," said Bob Lees, founder and Managing Director of Diamond Consulting Services. "This is a proud day for DCS and a testament to the hard work and dedication of our employees. We look forward to working with Federal Signal to deliver yet more innovative products to our existing and new customers whilst maintaining the high level of service they have come to expect from DCS."

Diamond Consulting will operate as part of the Public Safety Systems business unit of Federal Signal's Safety & Security Systems group.

About Federal Signal

Federal Signal Corporation (NYSE: FSS) enhances the safety, security and well-being of communities and workplaces around the world. Founded in 1901, Federal Signal is a leading global designer and manufacturer of products and total solutions that serve municipal, governmental, industrial and institutional customers. Headquartered in Oak Brook, Ill., with manufacturing facilities worldwide, the Company operates three groups: Safety & Security Systems, Environmental Solutions & Fire Rescue. For more information on Federal Signal, visit: <http://www.federsignal.com>.

About Diamond Consulting Services

DCS specializes in Research, Development and Consultancy for the ITS industry. Over the last 15 years, DCS has proved to be a leader in the field of vehicle detection and classification. On this reputation, the company has built a significant business with its Idris Vehicle Detection Technology. The patented Idris technology comprises automatic vehicle detection and classification software, used worldwide in applications such as incident detection and multi-lane Open Road Tolling schemes. From a basic in-ground loop detection system, a powerful axle recognition and classification technology has been developed which produces class accuracy levels greater than 99.5% - unmatched by any other single sensor solution. For more information on DCS, visit: <http://www.idris-technology.com>.

Forward-Looking Language

This release contains unaudited financial information and various forward-looking statements as of the date hereof and we undertake no obligation to update these forward-looking statements regardless of new developments or otherwise. Statements in this release that are not historical are forward-looking statements. Such statements are subject to various risks and uncertainties that could cause actual results to vary materially from those stated. Such risks and uncertainties include but are not limited to: economic conditions in various regions, product and price competition, supplier and raw material prices, foreign currency exchange rate changes, interest rate changes, increased legal expenses and litigation results, legal and regulatory developments and other risks and uncertainties described in filings with the Securities and Exchange Commission.

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