

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-KSB/A
(AMENDMENT NO. 1)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2002

COMMISSION FILE NUMBER: 0001-22563

CDSI HOLDINGS INC.
(Name of small business issuer in its charter)

DELAWARE
(State or other jurisdiction of
incorporation or organization)

95-4463937
(I.R.S. Employer
Identification No.)

100 S.E. SECOND STREET, 32ND FLOOR, MIAMI, FLORIDA 33131
(Address of principal executive offices) (Zip Code)

305-579-8000
(Issuer's telephone number)

THE ANNUAL REPORT ON FORM 10-KSB OF CDSI HOLDINGS INC. (THE "COMPANY")
FOR THE YEAR ENDED DECEMBER 31, 2002 IS HEREBY AMENDED TO INCLUDE THE EQUITY
COMPENSATION PLAN INFORMATION IN PART III, ITEM 11 OF SUCH ANNUAL REPORT:

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND
MANAGEMENT

The following table sets forth, as of March 24, 2003, the beneficial ownership of the Company's Common Stock (the only class of voting securities) by (i) each person known to the Company to own beneficially more than five percent of the Common Stock, (ii) each of the Company's directors, (iii) each of the Company's named executive officers (as such term is defined in the Summary Compensation Table above) and (iv) all directors and executive officers as a group. Unless otherwise indicated, each person possesses sole voting and investment power with respect to the shares indicated as beneficially owned, and the business address of each person is 100 S.E. Second Street, Miami, Florida 33131.

<TABLE>
<CAPTION>

NAME AND ADDRESS(1)	NUMBER OF SHARES OF COMMON STOCK	PERCENTAGE OF OWNERSHIP
<S> New Valley Corporation(2)(3)..... Alki Corp. (3) 204D Weldin Building Wilmington, DE 19810	<C> 1,990,000	55.0%

J. Bryant Kirkland III(4).....	9,000	*	
Richard J. Lampen(4).....	9,000	*	
Henry Morris(4).....	9,000	*	
271 Madison Avenue New York, NY 10016			
Robert Lundgren(4).....	16,333	*	
7900 SW 176 Street Miami, FL 33157			
All executive officers and directors As a group (4 persons)(4).....	43,333		1.4%

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* Less than 1%

- (1) Unless otherwise indicated, each named person has sole voting and investment power with respect to the shares set forth opposite such named person's name.
- (2) Includes 500,000 shares subject to warrants, which are currently exercisable or exercisable within 60 days of the date hereof.
- (3) Both New Valley and Alki Corp. (successor to Direct Assist Holding, Inc.) ("Alki"), a wholly-owned subsidiary of New Valley, have shared voting and investment power with regard to such shares. J. Bryant Kirkland III, an executive officer and a director of the Company, serves as Vice President, Chief Financial Officer and Treasurer of New Valley and Alki and Richard J. Lampen, an executive officer and a director of the Company, serves as Executive Vice President of New Valley and Alki and as a director of New Valley. Neither Mr. Kirkland nor Mr. Lampen has investment authority or voting control over the Company's securities owned by New Valley or Alki. The other executive officers and directors of New Valley are Bennett S. LeBow, Chairman and Chief Executive Officer of New Valley; Howard M. Lorber, President of New Valley and a director of New Valley and Chairman, President and Chief Executive Officer of Alki; Marc N. Bell, Vice

President, Associate General Counsel and Secretary of New Valley and Alki; and Henry C. Beinstein, Arnold I. Burns, Ronald J. Kramer, Barry W. Ridings and Victor M. Rivas, directors of New Valley.

- (4) Includes shares subject to options and/or warrants currently exercisable or exercisable within 60 days of the date hereof.

EQUITY COMPENSATION PLAN INFORMATION

The following table summarizes information about the options, warrants and rights and other equity compensation under the Company's equity plans as of December 31, 2002.

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PLAN CATEGORY	NUMBER OF SECURITIES TO BE ISSUED UPON EXERCISE OF OUTSTANDING OPTIONS, WARRANTS AND RIGHTS RIGHTS	NUMBER OF SECURITIES REMAINING AVAILABLE FOR FUTURE ISSUANCE	
		WEIGHTED-AVERAGE EXERCISE PRICE OF OUTSTANDING OPTIONS, WARRANTS AND	UNDER EQUITY COMPENSATION PLANS (EXCLUDING SECURITIES REFLECTED IN COLUMN (A))
(A)	(B)	(C)	
Equity compensation plans approved by security holders (1)....	153,333	\$2.03	596,667
Equity compensation plans not approved by security holders (2)....	503,455	\$5.79	- 0 -

Total.....	656,788	\$4.91	596,667
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- (1) Includes options to purchase 153,333 shares of the Company's Common Stock under the 1997 Stock Option Plan, which was approved by stockholders.
 - (2) Includes options to purchase 3,455 shares of Common Stock issued under a 1994 Stock Option Plan, which was terminated in 1997, and an option to purchase 500,000 shares of Common Stock issued in 1997 to a wholly-owned subsidiary of New Valley. For additional information concerning the options, see note 5 to the Company's consolidated financial statements.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d), the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on April 30, 2003, on its behalf by the undersigned, thereunto duly authorized.

CDSI Holdings Inc.

By: /s/ J. Bryant Kirkland III

J. Bryant Kirkland III
Vice President and Chief Financial
Officer

CERTIFICATION

I, Richard J. Lampen, certify that:

1. I have reviewed this annual report on Form 10-KSB/A, Amendment No. 1, of CDSI Holdings Inc.;
2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;
3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;
 - b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report (the "Evaluation Date"); and
 - c) presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit

committee of registrant's board of directors (or persons performing the equivalent functions):

- a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
- b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this annual report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: April 30, 2003

/s/ Richard J. Lampen

Richard J. Lampen
Chairman and Chief Executive Officer

CERTIFICATION

I, J. Bryant Kirkland III, certify that:

1. I have reviewed this annual report on Form 10-KSB/A, Amendment No. 1, of CDSI Holdings Inc.;
2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;
3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;
 - b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report (the "Evaluation Date"); and
 - c) presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
 - b) any fraud, whether or not material, that involves management or other

employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this annual report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: April 30, 2003

/s/ J. Bryant Kirkland III

J. Bryant Kirkland III
Vice President and Chief Financial Officer