Telkonet Completes First Turkish Installation with Saray Regency Hotel

Telkonet iWire System(TM) Provides 5-Star Hotel with High Performance Broadband Network in Just 6 Hours

GERMANTOWN, Md.--

Telkonet, Inc. (AMEX:TKO), the leading technology solutions provider for broadband networking, end-to-end service support and energy management, reports that it has completed the first installation of its Telkonet iWire System(TM) in Turkey, with the system going live at the prestigious Saray Regency Hotel in the popular resort of Antalya. The Telkonet solution was supplied and installed by Telkonet's Turkish VAR, TuncNet, equipping the 5-star 196-room hotel with high-speed Internet access (HSIA) in just 6 hours. Based on Telkonet's innovative powerline communications (PLC) technology, the installation used the hotel's existing electrical wiring to achieve a high performance broadband network with zero disruption to either guests or to the hotel's operation.

The Saray Regency's management was looking for a cost-effective, future-proof broadband platform that would provide an instant solution to its requirement to enhance guest services with HSIA. Dating from 1989, the hotel is built on five stories with additional recreational and restaurant facilities, all sited just 250 meters from the beach.

The Telkonet iWire System was selected after a thorough market evaluation, as sales and marketing manager and front office manager Noyan Kilicturgay explains: "We conducted careful research, including discussions with other hotels about the best options for fast-to-install broadband solutions and an evaluation of the various options. We ruled WiFi out as not providing us with a suitably reliable and cost-effective system, whereas Telkonet's solution matched all our requirements for ease and speed of installation, as well as performance and cost. I made the recommendation and our general manager Yasar Sunal authorized the installation as the best option to fulfill guest expectations and consolidate our market position. The installation process was absolutely painless - TuncNet came in and almost imperceptibly put the system in place. To have HSIA up and running in just 6 hours is a remarkable achievement. We are delighted with the result."

The Saray Regency installation consists of a central Telkonet iWire System and a Telkonet eXtender(TM), with additional couplers located on each floor. The Telkonet iWire System operates by transforming a building's existing electrical wiring into an IP network backbone, enabling each electrical outlet to be used as a broadband access data port via Telkonet iBridge(TM) interface units, which are installed in every guest room. This enabled every room at the Saray Regency to be enabled immediately for Internet access as soon as the system was installed. In addition, Telkonet iBridge units are strategically placed in the hotel's general areas, including the lobby, pool area, conference rooms and restaurants, where they are configured to drive WiFi access points, giving guests convenient access to HSIA

wherever they need it.

About TuncNet

TuncNet is one of 11 companies within the Tunc Group, which specializes primarily in the field of telecommunications, complemented by IT, energy, fiber optics and e-commerce software. Established for 15 years, the Tunc Group operates in 15 countries with 1200 employees, of which 70% are dedicated technical staff. TuncNet is located in Turkey's capital city of Ankara, focusing on the implementation and maintenance of Telkonet applications throughout the whole of Turkey. TuncNet has been executing the exclusive Turkey distributorship of Telkonet applications for one year.

About Telkonet

Telkonet specializes in advanced integrated solutions for broadband data networking and energy management, including its highly successful in-building powerline communications (PLC) technology. Headquartered in Germantown, Maryland, USA, Telkonet has over 140 employees and serves thousands of customers worldwide.

The company's unique broadband networking solutions currently support more than a million network users per month, with its energy management systems optimizing energy consumption in over 60,000 rooms. Telkonet's technology innovation is underpinned by the highest level of end-to-end quality of service, with comprehensive technical customer support. Its systems deliver wide-ranging functionality, from wired and wireless high-speed Internet access to energy management, IP surveillance and local area networking. Telkonet's platforms are widely deployed on the global stage - in single buildings and ships, in multi-building complexes, hospitality venues and multi-dwelling units, and at government, education and defense locations.

Telkonet's innovations include the revolutionary Telkonet iWire System(TM), which converts a site's existing internal electrical infrastructure into an IP network backbone - quickly, cost-effectively and without disruption. The portfolio also includes the integrated EthoStream product suite, providing a comprehensive and advanced technology management platform for the hospitality industry, differentiated by outstanding remote management tools and a dedicated customer support facility. Telkonet SmartEnergy completes the line-up, delivering typical bottom line savings of 30% by controlling in-room energy consumption according to occupancy. For more information, please visit www.telkonet.com.

Statements included in this release may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements involve a number of risks and uncertainties such as competitive factors, technological development, market demand and the Company's ability to obtain new contracts and accurately estimate net revenues due to variability in size, scope and duration of projects, and internal issues in the sponsoring client. Further information on potential factors that could affect the Company's financial results, can be found in the Company's Registration Statement and in its Reports on Forms 8-K filed with the Securities and Exchange Commission (SEC).

Source: Telkonet, Inc.